EXHIBIT 11

The Securities and Exchange Commission has not necessarily reviewed the information in this filing and has not determined if it is accurate and complete.

The reader should not assume that the information is accurate and complete.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM D

OMB APPROVAL

OMB Number: 3235-0076 Estimated average burden hours per response: 4.00

Notice of Exempt Offering of Securities

1. Issuer's Identity			
CIK (Filer ID Number)	Previous Names	X None	Entity Type
0001822044	Names		Corporation
Name of Issuer			X Limited Partnership
Camshaft Capital Fund, LP			Limited Liability Company
Jurisdiction of Incorporation/O	rganization		
DELAWARE			General Partnership
Year of Incorporation/Organiza	ation		Business Trust
Over Five Years Ago			Other (Specify)
X Within Last Five Years (S	pecify Year) 2020		
Yet to Be Formed			
2. Principal Place of Busine	ss and Contact Information	1	
Name of Issuer			
Camshaft Capital Fund, LP			
Street Address 1		Street Address 2	
285 NW 42ND AVENUE			
City	State/Province/Country	ZIP/PostalCode	Phone Number of Issuer
MIAMI	FLORIDA	33126	4065523828
3. Related Persons			
Last Name	First Name		Middle Name
Morton	William		
Street Address 1	Street Address 2		
285 NW 42nd Avenue			
City	State/Province/Co	untry	ZIP/PostalCode
Miami	FLORIDA		33126
Relationship: X Executive Of	ficer Director Promoter		
Clarification of Response (if No	ecessary):		
4. Industry Group			
A grieulture	Health Car	·	
Agriculture			Retailing
Banking & Financial Servi	ces Biotecr	nnology	Restaurants
Commercial Banking	Health	Insurance	Technology
Insurance	Hospit	als & Physicians	Computers
Investing		·	
Investment Banking	Pharm	aceuticals	Telecommunications
X Pooled Investment Fu	nd Other H	Health Care	Other Technology

Case 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 3 of 410

X Hedge Fund	Manufacturing	Travel			
Private Equity Fund	Real Estate	Airlines & Airports			
Venture Capital Fund	Commercial	Lodging & Conventions			
Other Investment Fund	Construction				
Is the issuer registered as		Tourism & Travel Services			
an investment company under the Investment Company	REITS & Finance	Other Travel			
Act of 1940?	Residential	Other			
Yes X No	Other Real Estate	_			
Other Banking & Financial Services	Ы				
Business Services					
Energy					
Coal Mining					
Electric Utilities					
Energy Conservation					
Environmental Services					
Oil & Gas					
Other Energy					
Other Energy					
5. Issuer Size					
Revenue Range OR	Aggregate Net Asset Value Rai	nge			
No Revenues	No Aggregate Net Asset Va	lue			
\$1 - \$1,000,000	\$1 - \$5,000,000				
\$1,000,001 - \$5,000,000	\$5,000,001 - \$25,000,000				
\$5,000,001 - \$25,000,000	\$25,000,001 - \$50,000,000				
\$25,000,001 - \$100,000,000	\$50,000,001 - \$100,000,000				
Over \$100,000,000	Over \$100,000,000				
Decline to Disclose	X Decline to Disclose				
Not Applicable	Not Applicable				
6. Federal Exemption(s) and Exclusion(s)	Claimed (select all that apply)				
	X Investment Company Act	Section 2/o			
Rule 504(b)(1) (not (i), (ii) or (iii))		· ·			
	X Section 3(c)(1)	Section 3(c)(9)			
Rule 504 (b)(1)(i) Rule 504 (b)(1)(ii)	Section 3(c)(2)	Section 3(c)(10)			
Rule 504 (b)(1)(iii)	Section 3(c)(3)	Section 3(c)(11)			
Rule 505	Section 3(c)(4)	Section 3(c)(12)			
X Rule 506(b)		<u> </u>			
Rule 506(c)	Section 3(c)(5)	Section 3(c)(13)			
Securities Act Section 4(a)(5)	Section 3(c)(6)	Section 3(c)(14)			
_	Section 3(c)(7)				
7. Type of Filing					
\overline{X} New Notice Date of First Sale \overline{X} First S	ale Vet to Occur				
Amendment	ale Tet to Occur				
8. Duration of Offering					
Does the Issuer intend this offering to last more than one year? X Yes No					

9. Type(s) of Securities Offered (select all that apply)					
Equity	X Pooled Investment Fund Interests				
Debt	Tenant-in-Common Securities				
Option, Warrant or Other Right to Acquire Another Securit	片				
Security to be Acquired Upon Exercise of Option, Warrant	or \square				
Other Right to Acquire Security	Other (describe)				
10. Business Combination Transaction					
Is this offering being made in connection with a business com a merger, acquisition or exchange offer?	nbination transaction, such as $\qquad \qquad \qquad $ Yes $\boxed{ X }$ No				
Clarification of Response (if Necessary):					
11. Minimum Investment					
Minimum investment accepted from any outside investor \$ 50,	,000 USD				
12. Sales Compensation					
Recipient	Recipient CRD Number X None				
(Associated) Broker or Dealer X None	(Associated) Broker or Dealer CRD Number X None				
Street Address 1	Street Address 2				
City	State/Province/Country	ZIP/Postal Code			
State(s) of Solicitation (select all that apply) Check "All States" or check individual States All States	Foreign/non-US				
13. Offering and Sales Amounts					
Total Offering Amount USD or X Indefinite					
Total Amount Sold \$ 0 USD					
Total Remaining to be Sold USD or \overline{X} Indefinite					
Clarification of Response (if Necessary):					
14. Investors					
Select if securities in the offering have been or may be so					
investors, and enter the number of such non-accredited in Regardless of whether securities in the offering have been					
accredited investors, enter the total number of investors w	, , , , , , , , , , , , , , , , , , , ,	U			
15. Sales Commissions & Finder's Fees Expenses					
Provide separately the amounts of sales commissions and finders fees expenses, if any. If the amount of an expenditure is not known, provide an estimate and check the box next to the amount.					
Sales Commissions \$ 0 USD X Estimate					
Finders' Fees 0 USD \overline{X} Estimate					
Clarification of Response (if Necessary):					
16. Use of Proceeds					
Provide the amount of the gross proceeds of the offering that I required to be named as executive officers, directors or promo estimate and check the box next to the amount.					
\$ 0 USD X Estimate					
Clarification of Response (if Necessary):					
Signature and Submission					

Please verify the information you have entered and review the Terms of Submission below before signing and clicking

SUBMIT below to file this notice.

Terms of Submission

In submitting this notice, each issuer named above is:

- Notifying the SEC and/or each State in which this notice is filed of the offering of securities described and undertaking to furnish
 them, upon written request, in the accordance with applicable law, the information furnished to offerees.*
- Irrevocably appointing each of the Secretary of the SEC and, the Securities Administrator or other legally designated officer of the State in which the issuer maintains its principal place of business and any State in which this notice is filed, as its agents for service of process, and agreeing that these persons may accept service on its behalf, of any notice, process or pleading, and further agreeing that such service may be made by registered or certified mail, in any Federal or state action, administrative proceeding, or arbitration brought against it in any place subject to the jurisdiction of the United States, if the action, proceeding or arbitration (a) arises out of any activity in connection with the offering of securities that is the subject of this notice, and (b) is founded, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these statutes, or (ii) the laws of the State in which the issuer maintains its principal place of business or any State in which this notice is filed.
- Certifying that, if the issuer is claiming a Regulation D exemption for the offering, the issuer is not disqualified from relying on Regulation D for one of the reasons stated in Rule 505(b)(2)(iii) or Rule 506(d).

Each Issuer identified above has read this notice, knows the contents to be true, and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

For signature, type in the signer's name or other letters or characters adopted or authorized as the signer's signature.

Issuer	Signature	Name of Signer	Title	Date
Camshaft Capital Fund, LP	/William Morton/	William Morton	Manager of General Partner	2020-09-11

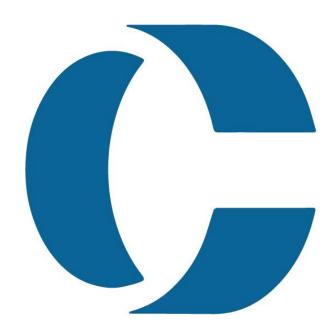
Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

^{*} This undertaking does not affect any limits Section 102(a) of the National Securities Markets Improvement Act of 1996 ("NSMIA") [Pub. L. No. 104-290, 110 Stat. 3416 (Oct. 11, 1996)] imposes on the ability of States to require information. As a result, if the securities that are the subject of this Form D are "covered securities" for purposes of NSMIA, whether in all instances or due to the nature of the offering that is the subject of this Form D, States cannot routinely require offering materials under this undertaking or otherwise and can require offering materials only to the extent NSMIA permits them to do so under NSMIA's preservation of their anti-fraud authority.

EXHIBIT 12



EXHIBIT 13



CAMSHAFTCAPITAL

CAMSHAFT CAPITAL ADVISORS, LLC 1200 BRICKELL AVE SUITE 310 MIAMI, FL 33131 TELEPHONE: 305-619-1383

WWW.CAMSHAFTGROUP.COM

January 2024

This brochure provides information about the qualifications and business practices of Camshaft Capital Advisors. LLC ("Camshaft" or the "Firm"). If you have any questions about the contents of this brochure, please contact us at (305) 619-1383 and/or email: william@camshaftcapital.com The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Camshaft also is available on the SEC's website at www.adviserinfo.sec.gov.

Camshaft is registered as an investment adviser with the SEC. Registration with the SEC does not imply a certain level of skill or training.

Item 2. Material Changes

This is the initial Brochure filing for Camshaft Capital Advisors, LLC. Going forward this Item will be updated with each annual amendment.

The information set forth in this Brochure is qualified in its entirety by reference to a Client's Governing Documents (as defined herein) and/or offering documents. In the event of a conflict between the information set forth in this Brochure and the information set forth in a Client's Governing Documents and/or offering documents, the Client's Governing Documents and/or offering documents shall take precedence.

<u>Item 3.</u> Table of Contents

Topic:	Page
Item 2. Material Changes	2
Item 3. Table of Contents	3
Item 4. Advisory Business	4
Item 5. Fees and Compensation	4
Item 6. Performance-Based Fees and Side-By-Side Management	6
Item 7. Types of Clients	7
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss	8
Item 9. Disciplinary Information	38
Item 10. Other Financial Industry Activities and Affiliations	38
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	39
Item 12. Brokerage Practices	40
Item 13. Review of Accounts	42
Item 14. Client Referrals and Other Compensation	42
<u>Item 15.</u> Custody	42
Item 16. Investment Discretion	43
Item 17. Voting Client Securities	43
Item 18. Financial Information	44

Item 4. Advisory Business

For the purposes of this Brochure, the "Adviser", "Camshaft: or the "Investment Manager" means Camshaft Capital Advisors, LLC. The Investment Manager, owned by William Morton, is a limited liability company organized under the laws of the State of Florida and has been providing investment advisory services since 2020. Camshaft Capital Management, LLC is the General Partner of Camshaft Capital Fund LP. Mr. Morton acts as the managing member of Camshaft Capital Management, LLC.

Currently, Camshaft manages and provides discretionary investment advisory services to the Camshaft Capital Fund, LP (as defined below in this Item 4 under "Funds"). In addition, Camshaft may serve as a discretionary investment adviser to invest the assets of a privately offered pooled investment vehicle managed by an unaffiliated third-party pursuant to a trading advisory agreement (the "Third-Party Fund" and, together with the Camshaft Funds, the "Funds"). Camshaft may also provide investment advisory services to entities or pooled investment vehicles on a managed account basis (each such arrangement, a "Managed Account," and the entity(ies) funding a Managed Account, a "Managed Account Client"). For the purposes of this brochure, a "Client" refers to a Fund (but not the investors in a Fund) and/or a Managed Account Client, as the context requires.

As of December 31, 2022, Camshaft had \$595,845,395 in regulatory assets under management. Camshaft does not currently manage any Client assets on a non-discretionary basis. Camshaft does not participate in any wrap fee programs.

Managed Account Arrangements

As of the date of this brochure, Camshaft has no Managed Account arrangements. However, in the event that Camshaft were to enter into a Managed Account arrangement in the future, then Camshaft would develop investment guidelines based upon the Managed Account Client's specific investment objectives. Managed Account advisory services would be governed by a written agreement ("Managed Account Agreement") between Camshaft and the Managed Account Client. Camshaft would manage any such Managed Accounts under a broad range of potential mandates. Managed Account Clients would be permitted to amend their investment guidelines as their needs change or impose restrictions or limitations on investing in certain securities or types of securities.

<u>Item 5.</u> Fees and Compensation

A management fee is paid monthly in advance to the General Partner. The management fee is equal to three percent (3%) per annum of the beginning capital account balance of each Limited Partner for such month. The General Partner may, in its sole discretion, enter into arrangements with Limited Partners under which the management fee is reduced, waived or calculated differently with respect to such Limited Partners, including, without limitation, Limited Partners that are members, affiliates or employees of the General Partner, members of the immediate families of such persons and trusts or other entities for their benefit, or Limited Partners that make substantial investment or otherwise are determined by the General Partner in its sole discretion to represent a strategic relationship.

To the extent that there is a shared expense among any of the Camshaft Funds, on the one hand, and Camshaft, on the other hand, Camshaft will allocate the expense among such Camshaft Fund(s) and itself in a manner that it determines is fair and equitable under the circumstances to all parties.

See Item 6 below for more information concerning performance-based fees.

Managed Accounts

Camshaft presently does not have, and thus receives no fees from, any Managed Account Clients. In the event that Camshaft were to advise a Managed Account in the future, it may be paid a management fee and/or a performance fee by such Managed Account in accordance with the terms of the applicable Managed Account Agreement.

Additional Expenses

In addition to the management fees and the performance-based fees described above, the Camshaft Funds (and, indirectly, the investors therein) will pay such additional expenses as are disclosed in the Camshaft Funds' applicable offering documents. The expenses to be paid by each Camshaft Fund vary and may include, among others, the following: transaction costs and investment-related expenses incurred in connection with the Funds' trading activities, including securities and futures brokerage, clearing, margin interest (if any), custodial expenses, and any non-U.S. mutual fund expenses; all U.S. and non-U.S. legal, regulatory and compliance fees and expenses (including, but not limited to, blue sky compliance, compliance with the Alternative Investment Fund Managers Directive, MIFID, the EEA and FATCA), accounting, auditing, tax preparation, expenses relating to the offering and sale of the Shares, and registration fees and expenses as well as related fees and expenses (including, but not limited to, legal fees or other fees and expenses related to: the preparation and filing of Form PF, CFTC and NFA Form CPO-PQR, NFA Form CTA-PR and NFA Form PR, the applicable portion of Camshaft's fees and expenses incurred in connection with preparing and filing Form ADV that are allocable to a Camshaft Fund, and any other SEC, CFTC and/or NFA filings and registrations or other filings that are made with respect to the Funds or assets of the Funds; related requirements under the Dodd-Frank Act, and U.S. Department of the Treasury and U.S. Department of Commerce regulations; and registrations and related requirements of foreign regulators); expenses associated with the continued offering of shares, which include, but are not limited to, marketing, travel and other solicitation expenses; operational expenses such as the administrator's charges, fees and expenses, trade support systems, the directors' charges and expenses, photocopying, facsimile, postage, and telephone expenses; research and research-related costs, consulting fees, fees and charges (such as data feeds, news, Fund reports, brokerage reports, software licenses, ongoing development, implementation, updating and support of software licenses, bank service fees, third-party trading and/or portfoliorelated services and support, including software costs such as order management, risk management and similar systems, software costs relating to order management, and Bloomberg terminals and services); legal fees and due diligence expenses, related to the analysis purchase or sale of investments, whether or not the investment is consummated; Camshaft Fund related insurance costs (including a portion of D&O and E&O insurance for Camshaft, if applicable), extraordinary expenses (such as, litigation costs and indemnification obligations), if any; the Performance Fee and the Management Fee (defined below) paid to Camshaft; Cayman Islands government fees and director registration fees and other equivalent expenses; and interest in connection with

investment-related borrowings. In addition, each Fund will bear its *pro rata* share of all expenses related to any pooled investment vehicle(s) (including, but not limited to, the Master Fund) in which such Fund invests; such charges may include management fees, performance fees, ordinary operating expenses (such as administration, legal, accounting and other operational costs) and extraordinary expenses (such as litigation costs and indemnification obligations), provided that such Fund will not bear a double-layering of asset-based fees or performance-based compensation in connection with its investment in another Camshaft Fund. Therefore, it is possible that a Fund may bear a portion of any such expense even though it may not directly benefit therefrom. Funds also pay the fees and expenses of their prime brokers, futures commission merchants and administrators.

As described further in the respective offering documents for the Camshaft Funds, generally, Camshaft will bear certain overhead expenses of operating the Camshaft Funds which otherwise would be allocable to the Camshaft Funds.

Although Camshaft presently does not have any Managed Account Clients, any future Managed Account Clients of Camshaft may be expected to pay additional expenses similar to those described above, to the extent applicable, subject to the specific terms of the applicable Managed Account Agreement.

Please see Item 12 below for a discussion of Camshaft's brokerage practices.

Additional Information About Fees and Expenses

The specific manner in which Camshaft charges management fees, performance-based fees, and expenses is established in each Client's written agreement with Camshaft. Camshaft investors may consult the applicable Fund's offering memorandum and governing documents for a description of these charges. Generally, pursuant to the applicable governing documents for each Fund, management fees and performance-based fees are deducted directly from each investor's account with the relevant Fund. Management fees, if any, are generally paid monthly in arrears. Performance fees, if any, are paid at the end of the fiscal year to which the fee pertains or upon a redemption from a Fund or a termination of a Managed Account.

The foregoing fees and expenses may be negotiable, reduced, rebated or waived in certain circumstances, including with respect to Clients or Fund investors that are employees of Camshaft and other persons that are affiliated with Camshaft or its affiliates.

<u>Item 6.</u> Performance-Based Fees and Side-By-Side Management

Currently, Camshaft's Clients are generally charged both a management fee and a performance fee. The performance fees are structured to comply with Section 205 of the Investment Advisers Act of 1940, as amended (the "Advisers Act").

Performance-based compensation arrangements may create an incentive for Camshaft to make investments that are riskier or more speculative than would be the case in the absence of a financial incentive based on the performance of a Client's account. Performance-based compensation arrangements may also create an incentive for Camshaft to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. When Camshaft

transacts securities for more than one Client account, the investment opportunities and trades must be allocated in a manner consistent with Camshaft's fiduciary duties. Camshaft will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible portfolios, particularly if different portfolios have materially different amounts of capital under management by Camshaft or different amounts of investable cash available or different investment guidelines, financing arrangements and/or dealer relationships. As a result, although Camshaft manages portfolios with similar or identical investment objectives, or may manage accounts with different objectives that trade in the same securities, the portfolio decisions relating to these accounts, and the performance resulting from such decisions, may differ from portfolio to portfolio.

Camshaft presently does not have, and thus receives no fees from, any Managed Account Clients. If in the future Camshaft were to advise a Managed Account alongside the Camshaft Funds, it is possible that Camshaft may take different positions in the same or related securities for such Clients, such as selling certain securities short for a Camshaft Fund while a Managed Account simultaneously holds the same or related securities long. In such case, Camshaft will adopt and execute side-by-side management procedures in an effort to mitigate these potential conflicts.

Item 7. Types of Clients

Camshaft currently provides investment advice only to the Camshaft Funds. However, Camshaft may advise additional or different types of entities in the future.

Each Camshaft Fund is not registered under the Investment Company Act of 1940, as amended (the "1940 Act"), in reliance on the exemption provided by Section 3(c)(7) of the 1940 Act. In addition, each Camshaft Fund's interests or shares (as applicable) are not registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state "blue-sky" laws; rather, they are privately offered only to qualified purchasers and accredited investors pursuant to an exemption from registration under Regulation D under the Securities Act. Each investor in the Fund must be (1) an "accredited investor" as defined in Regulation D under the Securities Act, (2) a "qualified purchaser" as defined in the 1940 Act and the regulations under the 1940 Act, and (3) a "United States person" as defined under the Internal Revenue Code of 1986, as amended (the "Code"). Each investor in the Fund that is a "United States person" (as defined in the Code) must be (1) an "accredited investor," as defined in Regulation D under the Securities Act, (2) a "qualified purchaser" or "knowledgeable employee" as defined in the 1940 Act and the rules under the 1940 Act (and thus a "qualified client" within the meaning of the Advisers Act), and (3) exempt from U.S. federal income tax under Section 501 of the Code or otherwise. Each other investor in the Fund must not be a "U.S. person," as defined in Regulation S under the Securities Act, or a "United States person" as defined in the Code, and must be a "Non-United States person" as defined in Regulation 4.7 under the U.S. Commodity Exchange Act, as amended. The minimum investment in each Fund, subject to waiver, is \$2,500,000.

If a Client or potential Client would like to open a Managed Account, the conditions for starting and maintaining a Managed Account will vary with the circumstances of each Managed Account and be negotiated and set forth on an individual basis in the relevant Managed Account Agreement.

<u>Item 8.</u> Methods of Analysis, Investment Strategies and Risk of Loss

The methods of analysis and investment strategies used by Camshaft in managing Camshaft Fund assets are summarized below. The methods of analysis and investment strategies that Camshaft would use to manage assets of any Managed Account Clients would vary depending on the needs of each Managed Account Client, but are expected to be comparable to those summarized below for the Camshaft Funds. In addition, the material risks involved with each significant investment strategy and method of analysis is explained below.

Methods of Analysis and Investment Strategies

The methods of analysis and investment strategies used by Camshaft in managing assets are summarized below. Investors and prospective investors in a Camshaft Fund should review the offering memorandum Fund in which they are invested (or are seeking to invest) for additional information about the strategies and risks associated with an investment in such Fund. For information concerning the sub-strategies identified below, please refer to the confidential offering memorandum of the applicable Camshaft Fund.

- Leverage and Short Selling. The Fund may from time to time engage in short selling. Selling securities short runs the risk of losing an amount greater than the amount invested. Short selling is subject to theoretically unlimited risk of loss because there is no limit on how much the price of the stock may appreciate before the short position is closed out. A short sale may result in a sudden and substantial loss if, for example, an acquisition proposal is made for the subject company at a substantial premium over market price. Furthermore, the Fund at times will trade securities on a leveraged basis, i.e., where the security can be purchased by putting up only a portion of the instrument's face value and borrowing the remainder (margin). As a result, a relatively small price movement in a security may result in immediate and substantial losses to the Fund. In addition, trading on margin will result in interest charges to the Fund which may be substantial. Leveraged investments, including any purchase or sale of securities on margin, may result in losses in excess of the amount invested.
- Trading in Distressed Securities and Highly Leveraged Companies. The strategies of the General Partner and the Investment Advisers may entail investments in distressed securities and highly leveraged companies. An investment in these types of securities and companies, by the nature of their leveraged capital structure, will involve a high degree of financial risk. Such risks include, but are not limited to, the following: (a) difficulty in identifying attractive investment opportunities; (b) subordination to substantial amounts of senior indebtedness, all or a signification portion of which may be secured; (c) the possibility of substantial changes in rights and covenants which could result in less protection for the Fund with respect to securities purchased in proceedings under Chapter 11 of the US Bankruptcy Code; and (d) the lack of regulation of the OTC Market (in which distressed securities often are traded) by any exchange, and the lack of any established market-making, margin or other requirements that would help to insure a viable trading market exists for a particular security.
- *Illiquidity of Markets*. At various times, the markets for securities interests purchased or sold by the Fund may be "thing" or illiquid, making purchase or sale of securities at desired prices or in desired quantities difficult or impossible. For example, securities exchanges and the

SEC have authority to suspend trading in a particular security without notice. In addition, the Fund may invest in private placements of securities that are not registered under the Act and may have little to no trading market.

- Investing in Illiquid Securities. The Fund may from time to time invest in unregistered securities of public companies and at times in the securities of private companies, including without limitation, limited partnerships, the securities of which may be, and often are, illiquid. While no more that 10% of the Fund's portfolio may be invested in illiquid securities, the Fund may be forced to hold a larger cash reserve than normal as a precaution in the event of a large number of withdrawal requests by Limited Partners within a short period of time.
- Other Investment Strategies. Camshaft may also pursue other investment strategies as it deems appropriate, including, but not limited to: long/short equity investing, investing and trading in futures, foreign currency instruments, options, total-return swaps, stock indices and exchange-traded funds or other derivative financial instruments.

Material Risks

An investment in the Camshaft Funds involves substantial risks, including, but not limited to, those described below. The following information is not intended to be an exhaustive listing of all potential risks associated with an investment in the Camshaft Funds. There can be no assurance that the Camshaft Funds will realize their investment objective or return any capital. Shares/interests are a potentially suitable investment only for sophisticated investors for whom an investment in the Camshaft Funds does not represent a complete investment program and who, in consultation with their own investment and tax advisors, fully understand and are capable of assuming the risks of an investment in the shares/interests.

Note that, while this section may refer to risks of trading by the Camshaft Funds, all of the Camshaft Funds' trading activities occur at the level of the Master Fund. In addition, references in this section to possible actions undertaken by the Camshaft Funds and the risks related to the operation of the Camshaft Funds should be read to include references to possible actions undertaken by the Master Fund and the risks related to the operation of the Master Fund.

Prospective investors should give careful consideration to the following factors in evaluating the merits and suitability of an investment in the Camshaft Funds:

Risks Relating to the Camshaft Funds and the Offering of Shares/Interests

Limitations on Past Performance. Camshaft Funds' past performance is by no means necessarily representative of how the Camshaft Funds will perform. While certain individuals of the Firm have substantial experience investing in certain types of opportunities that the Camshaft Funds pursues, there can be no assurance that the Camshaft Funds or the Master Fund will generate performance results equivalent to the past results generated by the Firm or that the Camshaft Funds will avoid losses. Market conditions and trading approaches are continually changing, and the fact that certain individuals of the Firm may have achieved certain positive performance in the past may be largely irrelevant to the Camshaft Funds' prospects for profitability. The Camshaft Funds'

past performance has been, and is expected to continue to be, highly volatile. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. NO ASSURANCE CAN BE MADE THAT PROFITS WILL BE ACHIEVED OR THAT SUBSTANTIAL LOSSES WILL NOT BE INCURRED.

Potential Loss of Investment. An investment in the Camshaft Funds involves a high degree of risk. There can be no assurance that the Camshaft Funds' investment objective will be achieved. There is a risk that an investment in the Camshaft Funds will be lost entirely or in part. The Camshaft Funds is not a complete investment program and should represent only a portion of an investor's portfolio. Investors must be prepared to lose their entire investment in the Camshaft Funds.

No Market for Shares/Interests. Although amounts may be redeemed/withdrawn from the Camshaft Funds on a periodic basis according to the terms set forth in the applicable agreement, shares/interests may not be assigned, pledged or otherwise transferred without the prior written consent of the Firm. There is no market for the shares/interests, and none is expected to develop. Shares/interests will not be registered under the securities laws of any jurisdiction and will be subject to strict restrictions on resale and transferability. Therefore, investors must be prepared to bear the risk of their investment in the Camshaft Funds for a substantial period of time.

Reliance on Key Person. The Camshaft Funds is substantially dependent on the services of Camshaft. In the event of the death, disability, departure or insolvency of Mr. Morton, the business of the Camshaft Funds may be adversely affected. Mr. Morton will devote such time and effort as he deems necessary for the management and administration of the Camshaft Funds' business. However, Mr. Morton may engage in various other business activities in addition to managing the Camshaft Funds, and consequently Mr. Morton may not devote his complete time to the business of the Camshaft Funds.

Effect of Substantial Redemptions/Withdrawals. A number of events could result in substantial redemptions/withdrawals from the Camshaft Funds. Actions taken to meet such redemptions/withdrawals requests could result in a decrease in the prices of equities (listed and unlisted, private and public, common and preferred), fixed income securities, sovereign debt, futures (including commodity futures), over-the-counter physical commodities, foreign exchange forward and spot contracts, digital assets and digital asset derivatives, American Depositary Receipts ("ADRs"), foreign exchange currencies, and other derivative contracts and transactions such as swaps (including interest rate swaps, credit default swaps, index credit default swaps, equity total return swaps, volatility or variance swaps, correlation swaps and commodity swaps), options, warrants, convertible securities, and cash or cash equivalents (such as treasury notes and bills, certificates of deposit, commercial paper, broker balances, bankers acceptances or repurchase agreements) (collectively, "Financial Instruments") held by the Camshaft Funds and an increase in expenses (e.g., transaction costs and the costs of terminating agreements). The overall value of the Camshaft Funds may also decrease because the liquidation value of certain assets may be materially less than their mark-to-market value. The Camshaft Funds may be forced to sell its more liquid positions, may need to maintain greater amounts of cash and cash-equivalent investments than it would otherwise maintain and may also be restricted in its ability to obtain financing or derivatives counterparty relationships needed for certain investment and trading strategies, any of which could affect the Camshaft Funds adversely.

Performance-Based Compensation. In addition to sharing in profits on the basis of its capital, the Firm will be entitled to receive from each investor's account (paid by the Master Fund) a performance fee based on a percentage of the new net income, if any, in respect of such investor's account during a performance period. The performance fee can be characterized as creating an incentive to the Firm to make speculative investments and thus a potential conflict with the investments of the investors. Since the performance fee will be based upon portfolio gains, both realized and unrealized (net of realized and unrealized losses), it is possible that the Firm may receive a performance fee based upon unrealized appreciation in particular positions which is not in fact achieved upon eventual disposition of such positions. The fact that the performance fee is based on capital appreciation of the Camshaft Funds may create an incentive for the Firm to make investments that are more speculative than would be the case in the absence of such performance-based advisory compensation.

Share Value Calculation. The value of the dollar class shares will be calculated in U.S. Dollars.

Limited Regulatory Oversight. The Camshaft Funds is not registered as an "investment company" under the U.S. Investment Company Act of 1940, as amended (the "Company Act") or any comparable regulatory requirements and does not intend to do so. Accordingly, the provisions of such regulations, which among other things generally require investment companies to have a majority of disinterested directors, require securities held in custody at all times to be maintained in segregated accounts and regulate the relationship between the investment company and its asset manager, are not applicable to an investment in the Camshaft Funds. Notwithstanding the foregoing, the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") imposes burdensome reporting and recordkeeping requirements on the Camshaft Funds. The Camshaft Funds intends to trade with dealers who will be required by regulation or will undertake to fulfill the Camshaft Funds' Dodd-Frank mandated reporting requirements. The costs associated with such compliance may result in certain investment strategies in which the Camshaft Funds engages, or may have otherwise engaged, becoming non-viable or non-economic to implement.

Investors Do Not Participate in Management. Except as outlined in the applicable offering documents investors, in their capacity as such, do not have the right to participate in the management of the Camshaft Funds or in the conduct of its business, whether by voting or otherwise. In general, the Firm is solely responsible for managing the Camshaft Funds and for the investment, sale and reinvestment of the Camshaft Funds' assets.

Risk of Litigation. In the ordinary course of business, the Camshaft Funds may be subject to litigation from time to time. In addition, as a result of certain investments, the Camshaft Funds could be named as a defendant in a lawsuit or regulatory action. The outcome of such proceedings, which may materially adversely affect the value of the Camshaft Funds, may be impossible to anticipate, and such proceedings may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the Firm's time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Service Provider Risks. The Camshaft Funds and the Firm are also reliant upon the proper performance of duties and obligations of their respective service providers. The Camshaft Funds may be adversely impacted in a material manner if one or more of the service providers to the Camshaft Funds or the Firm fail to adequately perform their functions. In addition, key activities undertaken in connection with the Firm's and the Camshaft Funds' operations may be concentrated in one or more service providers, which may expose the Camshaft Funds to risks if one or more of such service providers does not provide, or becomes incapable of providing services, in the normal course of business.

Institutional and Counterparty Risk. Institutions, such as brokerage firms, banks and broker dealers, generally have custody of the Camshaft Funds' portfolio assets and may hold such assets in "street name." The Camshaft Funds is subject to the risk that these firms and other brokers, counterparties or clearinghouses with which the Camshaft Funds deals may default on their obligations to the Camshaft Funds. Any default by any of such parties could result in material losses to the Camshaft Funds. Bankruptcy or fraud at one of these institutions could also impair the operational capabilities or the capital position of the Camshaft Funds. In addition, securities and other assets deposited with custodians or brokers may not be clearly identified as being assets of the Camshaft Funds, causing the Camshaft Funds to be exposed to a credit risk with regard to such parties. The Camshaft Funds generally will only be an unsecured creditor of its trading counterparties in the event of bankruptcy or administration of such counterparties. In some jurisdictions, the Camshaft Funds may also only be an unsecured creditor of its brokers in the event of bankruptcy or administration of such brokers. The Camshaft Funds will attempt to limit its brokerage and custody transactions to well capitalized and established banks and brokerage firms in an effort to mitigate such risks, but the collapse of the seemingly well capitalized and established Bear Stearns and Lehman Brothers demonstrates the limits on the effectiveness of this approach in avoiding counterparty losses.

The Camshaft Funds may effect transactions in over-the-counter ("OTC") and "interdealer" markets. The participants in such markets are typically not subject to the same level of credit evaluation and regulatory oversight as are members of "exchange based" markets. This exposes the Camshaft Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Camshaft Funds to suffer a loss. Such counterparty risk is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or in instances where the Camshaft Funds has concentrated its transactions with a single or small group of counterparties. The inability to make complete and "foolproof" evaluations of the financial capabilities of the Camshaft Funds' counterparties and the absence of a regulated market to facilitate settlement increases the risk to the Camshaft Funds.

The Camshaft Funds are likely to have exposure to trading counterparties other than its prime brokers. If the Camshaft Funds deliver collateral to its trading counterparties under the terms of its ISDA Master Agreements and any other trading agreements, either by posting initial margin or on a daily mark-to-market basis, circumstances may arise where a counterparty may be over-collateralized and/or the Camshaft Funds may from time to time have uncollateralized mark-to-market exposure to a counterparty in relation to its rights to receive securities and cash. In both circumstances the Camshaft Funds will be exposed to the creditworthiness of any such

counterparty and, in the event of the insolvency of a trading counterparty, the Camshaft Funds will rank as an unsecured creditor in relation to amounts equivalent to any such over-collateralization and any uncollateralized exposure to such trading counterparty. In such circumstances it is likely that the Camshaft Funds will be unable to recover any debt in full, or at all.

The Camshaft Funds' contractual arrangements with its trading counterparties will typically contain termination provisions in the event of, among other things, a significant decline in the net asset value of the Camshaft Funds, calculated on a periodic basis, and/or a decline in the net asset value of the Camshaft Funds to an absolute floor. Termination of any such contractual arrangements could seriously impair the ability of the Camshaft Funds to carry on its investment activities.

In addition to the foregoing risks associated with a counterparty or prime broker defaulting or entering into a dispute, there is also the risk that major institutional investors in the Camshaft Funds may be compelled to withdraw or redeem or that the Camshaft Funds' counterparties or brokers will be required to restrict the amount of credit previously granted to the Camshaft Funds due to their own financial difficulties, resulting in forced liquidation of substantial portions of the Camshaft Funds' investments.

The Camshaft Funds' brokers and other counterparties may hold the Camshaft Funds' assets, including assets held as collateral for margin loans or other financing provided to the Camshaft Funds. Under the terms of such arrangements and under applicable law, a secured party may be permitted to rehypothecate such assets in connection with securities lending or other transactions entered into by the secured party. Depending upon the types of instruments traded, the Camshaft Funds may be subject to risk of loss of its assets on deposit with a counterparty in the event of the bankruptcy or insolvency of such counterparty, any clearing broker through which such counterparty executes and clears transactions (whether on behalf of the Camshaft Funds or on behalf of other customers of such counterparty trades (whether on behalf of the Camshaft Funds or on behalf of other customers of such counterparty trades (whether on behalf of the Camshaft Funds or on behalf of other customers of such counterparty).

The Camshaft Funds are not restricted from dealing with any particular counterparty or from concentrating any or all transactions with one counterparty. The ability of the Firm to transact business with any one or number of counterparties, the lack of any meaningful or independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Camshaft Funds.

Illiquid Financial Instruments. Financial Instruments purchased by the Camshaft Funds may lack a liquid trading market, which may result in the inability of the Camshaft Funds to sell any such security or portfolio investment or to close out a transaction or to cover the short sale of a position, thereby forcing the Camshaft Funds to incur potentially unlimited losses in such instruments. This lack of liquidity and depth could be a disadvantage to the Camshaft Funds both in the realization of the prices that are quoted and the execution of orders at desired prices. In addition, Financial Instruments that are at one time marketable could become unmarketable (or more difficult to market) for a number of reasons. For example, in the case of securities traded on the NASDAQ National Market System, Inc., if the price of the securities falls below the minimum price required for continued trading, their marketability is likely to be adversely affected or

effectively eliminated altogether. In addition, most U.S. futures exchanges have established "daily price fluctuation limits" which preclude the execution of trades at prices outside of the limit, and, from time to time, the CFTC or the exchanges may suspend trading in market disruption circumstances. The daily limits establish the maximum amount that the price of a futures contract may vary either up or down from the previous day's settlement price. Once the daily limit has been reached in a particular futures contract, no trades may be made at a price beyond the limit. In these cases, it is possible that the Camshaft Funds could be required to maintain a losing position that it otherwise would close and incur significant losses or be unable to establish a position and miss a profit opportunity. Illiquid Financial Instruments may also be more difficult to value. Liquidity risk arises in the general funding of the Camshaft Funds' trading activities. It includes the risk of the Camshaft Funds not being able to fund trading activities at settlement dates, or liquidate Financial Instrument positions in a timely manner at a reasonable price. The sale of illiquid Financial Instruments often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the OTC markets. The Camshaft Funds may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. Finally, if a substantial number of investors were to redeem/withdraw from the Camshaft Funds and the Camshaft Funds did not have a sufficient amount of cash and liquid securities to satisfy in cash such requests, the Camshaft Funds might have to meet such redemption/withdrawal requests through distributions of illiquid Financial Instruments.

Certain positions are typically liquidated on or shortly before the effective redemption/withdrawal date. If there is a market dislocation, including a daily price fluctuation limit, affecting such position(s) on such date, the price of the position(s) used to determine the net asset value of the investor account may be substantially different than the amount for which the position(s) can ultimately be sold by the Master Fund (or the price that would have been in effect without such market dislocation). Shorter notice for a redemption/withdrawal may exacerbate this result. If a market dislocation exists on a date on which the Camshaft Funds attempts to liquidate positions to satisfy redemptions/withdrawals, the non- redeeming/withdrawing investors (and new subscribers, if any) would be adversely affected if the relevant portfolio positions are subsequently sold for less than the price assigned to the positions as of the redemption/withdrawal date. Alternatively, if the relevant portfolio positions are subsequently sold for greater value, then the redeeming/withdrawing investor would be adversely affected. These effects are exacerbated in the case of redemptions/withdrawals representing a significant percentage of the net asset value of the Camshaft Funds.

Where appropriate, certain positions in the Camshaft Funds' investment portfolio that are illiquid and do not actively trade are marked to market by the Firm, taking into account actual market prices, market prices of comparable investments and/or such other factors (e.g., the tenor of the respective instrument) as the Firm deems appropriate. To the extent that marking an illiquid investment to market is not practicable, an investment will be carried at fair value, as reasonably determined by the Firm. There is no guarantee that fair value will represent the value that will be realized by the Camshaft Funds on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment. As a result, an investor redeeming/withdrawing its investment from the Camshaft Funds prior to realization of such an investment may not participate in gains or losses therefrom.

Cybersecurity Breaches. The Camshaft Funds and the Firm are subject to risks associated with a breach in their cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from "hacking" by other computer users, other unauthorized access and the resulting damage and disruption of hardware and software systems, loss or corruption of data, as well as misappropriation of confidential information. If a cybersecurity breach occurs, the Camshaft Funds may incur substantial costs, including those associated with: forensic analysis of the origin and scope of the breach; investment losses from sabotaged trading systems; identity theft; unauthorized use of proprietary information; litigation; adverse investor reaction; the dissemination of confidential and proprietary information; reputational damage; and increased and upgraded cybersecurity. Any such breach could expose the Firm and/or the Camshaft Funds to civil liability, as well as regulatory inquiry and/or action. In addition, any such breach could cause substantial redemptions/withdrawals from the Camshaft Funds. In addition, investors could be exposed to additional losses as a result of unauthorized use of their personal information.

Evolving Privacy Laws. In the ordinary course of business, the Firm collects, processes, receives, shares and maintains personal information, including data relating to personnel and investors. As a result, the Firm is subject to various U.S. federal and state privacy and information security laws regulating personal information and creating potential liability for the mishandling, misuse or compromise of that personal information. These laws are evolving, and new legislation may be enacted over time. New privacy laws add additional complexity to compliance programs and alternative data use that may require additional investment in resources, and could impact trading strategies.

Limits of Disclosure. The descriptions in the Camshaft Funds' offering documents of the Firm's investment strategies, the markets and Financial Instruments in which the Camshaft Funds trades, the risk factors and conflicts of interest involved in doing so and other aspects of the Camshaft Funds' operations are subject to material inherent limitations and do not purport to be either complete or comprehensive. In investing in the Camshaft Funds, investors are entrusting their capital to the subjective, discretionary market judgment of the Firm, trading in changing, volatile and uncertain markets. No prospective investor should invest in the Camshaft Funds if such investor is not capable of understanding and evaluating the risks of such investment.

Risks Associated with the Camshaft Funds' Investment Strategies

Global Macro Strategies. The success of the Camshaft Funds' global macro investment strategy depends upon the Firm's ability to identify and exploit perceived fundamental, economic, financial and political imbalances that may exist in and between global markets across a variety of Financial Instruments and asset classes. The identification and exploitation of such imbalances and the prediction of price movements in these instruments involves significant uncertainties due to their reliance on various factors, including political, economic, international and environmental trends and events. There can be no assurance that the Firm will be able to identify investment opportunities or exploit such imbalances. The Camshaft Funds may incur substantial losses if the investment these underlying the investment strategies or positions fail to develop as expected by the Firm.

Relative Value Strategy Risks. The success of the Camshaft Funds' relative value trading is dependent on the Firm's ability to exploit relative mispricing's among interrelated instruments. Although relative value positions may be considered to have a lower risk profile than directional trades as the former attempt to exploit price differentials not overall price movements, relative value investment strategies are by no means without risk. Mispricing's, even if correctly identified, may not converge within the time frame within which the Camshaft Funds maintains its positions. Even pure "riskless" arbitrage—which is rare—can result in significant losses if the arbitrage cannot be sustained (due, for example, to margin calls). International securities and markets may not move in correlation with each other or in directions anticipated by the Firm, so that hedging and arbitrage activities may not be successful. The Camshaft Funds' relative value investment strategies are subject to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence or inaccuracy of its algorithms. Market disruptions may also force the Camshaft Funds to close out one or more positions. Such disruptions have in the past resulted in substantial losses for funds employing relative value investment strategies.

The profitability of relative value trading has been materially reduced in certain asset classes in the past decade— in part due to the number of market participants seeking to exploit the same mispricings.

Long/Short Strategies. The success of the Camshaft Funds' long/short investment strategy depends upon the Firm's ability to identify and purchase securities that are undervalued and identify and sell short securities that are overvalued. The identification of investment opportunities in the implementation of the Camshaft Funds' long/short investment strategies is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. In the event that the perceived opportunities underlying the Camshaft Funds' positions were to fail to converge toward, or were to diverge further from, values expected by the Firm, the Camshaft Funds may incur losses. In the event of market disruptions, significant losses can be incurred which may force the Camshaft Funds to close out one or more positions. Furthermore, any valuation models used by the Firm, if applicable, to determine whether a position presents an attractive opportunity consistent with the Firm's long/short investment strategies may become outdated and inaccurate as market conditions change.

Currency Risk – FX Hedging. The Camshaft Funds intends to trade currencies for speculative or hedging purposes and may (but is not required to) use forward contracts and other Financial Instruments to seek to hedge against fluctuations in the relative value of the Fund's investments in respect of the Euro class shares and the GBP class shares. Hedging does not eliminate fluctuations in the value of the U.S. Dollar relative to the Euro or British Pounds Sterling or vice versa, or prevent losses if their relative values change, but rather establishes other positions designed to gain from those same developments, and such hedging transactions may also limit the opportunity for gain if the value of the U.S. Dollar should increase in relation to the Euro or British Pounds Sterling. As with other hedging transactions, currency hedging may result in a poorer overall performance and increased (rather than reduced) risk for the Camshaft Funds, the Euro class shares and the GBP class shares. There can be no guarantee that the Firm will be able to enter into suitable currency hedging transactions at a price and terms sufficient to protect the Camshaft Funds from a decline in the value of a particular currency and that such hedging transactions will be able to be executed at a time when the Camshaft Funds wishes to do so.

The Camshaft Funds may also invest a portion of its assets in equity securities, fixed income securities and other investments denominated in currencies other than the U.S. Dollar and in other Financial Instruments, the prices of which are determined with reference to currencies other than the U.S. Dollar. Currency markets are highly volatile, and currency trading is highly leveraged. For example, governments from time to time intervene, directly and by regulation, in the currency markets, with the specific intention of influencing the exchange rates. Currency markets are also, in general, highly interest rate sensitive, and may also be affected by trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Camshaft Funds may invest in currencies of Emerging Markets (as defined below), which may be less liquid than currencies of developed countries. There can be no guarantee that instruments suitable for hedging currency exchange rate changes will be available at the time when the Camshaft Funds wishes to use them or will be able to be liquidated when the Fund wishes to do so. Some currency risks are difficult or impossible to hedge, including for example the impact of exchange rate fluctuations on portfolio companies' businesses and macroeconomies. In some countries, the markets for certain of these hedging instruments are not highly developed or do not exist. To the extent certain currency exposure is not part of the Camshaft Funds' investment strategy as described above, the Firm may hedge against currency fluctuations, but there can be no assurance that such hedging transactions will be effective.

Opportunistic Investing. The Camshaft Funds will build a portfolio of both long and short equity investments where the investment team has identified potential for value from misunderstood or mispriced opportunities. Although the investment team conducts rigorous analysis of these opportunities, even if such an opportunity is correctly identified, such opportunity may not materialize within the time frame of which the Camshaft Funds maintains its positions, may take considerable time to occur or may result in an alternative strategic action that will result in closing the investment at a lower value than entry. Market liquidity constraints, borrowing availability and short squeezes can all have a material impact on the Camshaft Funds' investments and can require action to liquidate or exit positions at less than optimal levels.

General market disruptions may force the Camshaft Funds to close out one or more positions before the Camshaft Funds can capture gains or when the Camshaft Funds' trades would result in losses. Such disruptions have in the past resulted in substantial losses for investment funds.

Any long investments in financially troubled issuers carry a potential risk of loss by the Camshaft Funds. Among the problems involved in assessing and making investments in troubled issuers is the fact that it frequently may be difficult to obtain information as to the condition of such issuer. The market prices of the securities of such issuers are also subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such securities may be greater than normally expected. It may take a number of years for the market prices of such securities to reflect their intrinsic values. It is anticipated that some of such securities in the portfolio of the Camshaft Funds may not be widely traded, and that the Camshaft Funds' position in such securities may be substantial in relation to the market for such securities.

These types of investing requires active monitoring and may, in rare instances, require participation in bankruptcy or reorganization proceedings by the Firm. To the extent that the Firm becomes involved in such proceedings, the Camshaft Funds may have a more active participation in the affairs of the issuer than that assumed generally by an investor. In addition, the Firm's participation in such proceedings may restrict or limit the Camshaft Funds' ability to trade securities of the subject company. The Camshaft Funds may have limited ability to influence the management of the issuer or to elect a representative to the issuer's board of directors or other governing body, potentially increasing the risk of such investments. In addition, the management of the issuer or its shareholders may have economic or business interests which are inconsistent with those of the Camshaft Funds, and they may be in a position to take action contrary to the Camshaft Funds' objectives.

Special Situations. The Camshaft Funds may have investments in issuers involved in (or the target of) acquisition attempts or tender offers or issuers involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of business enterprise, there exists the risk that the transaction in which such business enterprise is involved will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Camshaft Funds of the security or other Financial Instruments in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Camshaft Funds may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled issuers in which the Camshaft Funds may invest, there is a potential risk of loss by the Camshaft Funds of its entire investment in such issuers.

Short Selling. Short selling involves selling securities which are not owned by the short seller and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the seller to profit from declines in market prices of the sold securities to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Camshaft Funds of buying those securities to cover the short position. There can be no assurance that the Camshaft Funds will be able to maintain the ability to borrow securities sold short. In particular, (i) a tender offer or similar transaction with respect to a company whose securities the Camshaft Funds has sold short or (ii) an unexpected shortage in an underlying commodity with respect to commodity futures that the Camshaft Funds has sold short, could cause the value of such Financial Instruments to rise dramatically, resulting in substantial losses to the Camshaft Funds. Regulators have, and may in the future, suspend short sales in Financial Instruments traded by the Camshaft Funds, which may cause the price of such securities to rise, resulting in a loss to the Camshaft Funds. Brokers may also require the Camshaft Funds to "cover" a short position at an inopportune time thereby forcing the Camshaft Funds to purchase the security at the then-prevailing market price which may be higher than the price at which such security was originally sold short by the Camshaft Funds.

Market Data. The Firm's and the Camshaft Funds' investment strategies depend on a wide variety and large quantity of market data obtained from numerous hosts of different suppliers, including multiple exchanges. Notwithstanding the Firm's reliance on large quantities of market

data, sources of market data may decline over time, which could adversely impact the investment program of the Camshaft Funds. In addition, market data contract pricing and terms are complex and subject to change without prior notice in many cases; increases in market data contract pricing could make the acquisition of certain data cost-prohibitive for the Firm which would negatively impact the Camshaft Funds' net performance. If data that the Camshaft Funds relies on is corrupted, compromised or discontinued in any material manner, the Camshaft Funds may suffer material losses or be exposed to the risk of loss of investment opportunities.

Credit Ratings. Credit ratings of structured finance products, other fixed-income instruments and investments represent the rating agencies' opinions regarding their credit quality and are not a guarantee of future credit performance of such securities. Rating agencies attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value. Therefore, the ratings assigned to securities by rating agencies may not fully reflect the true risks of an investment. Further, in recent years many highly rated structured securities have been subject to substantial losses.

Discretionary Aspects of the Firm's Investment Approach. The Firm's strategies and research methodologies retain certain discretionary aspects. In particular, the discretion of the Firm is expected to be used throughout the research and creation of models, in interpreting data, choosing signals and ranking their importance. In addition, from time to time, the Firm may determine to make investment decisions or reallocate the Camshaft Funds' capital in respect of a particular asset class or investment strategy in anticipation of, or in reaction to, what the Firm deems to be certain "material events" in the global economy. Such "material events" include, but are not limited to, economic turning points, market regime changes, central bank announcements, geopolitical shifts and other material economic and market or risk events underlying the Camshaft Funds' investment strategies and in the Firm's view represent opportunities to enhance returns, reduce volatility or protect against potential drawdowns. There can be no assurances that such interventions will be successful or not increase the Camshaft Funds' losses attributable to such external events.

Use of Leverage. The investment strategies utilized on behalf of the Camshaft Funds generally involve the use of borrowed funds and otherwise obtaining leveraged exposures to Financial Instruments. Leverage in respect of certain investment strategies employed on behalf of the Camshaft Funds may be significant. Such leverage may be employed at the strategy level or the portfolio level. Use of leverage for investment purposes entails significant risks. Use of leverage tends to magnify the gains or losses from investment activities and the overall volatility of the Camshaft Funds. In addition, leverage results in interest expense and other costs and premiums. If gains earned by the Camshaft Funds' portfolio fail to cover such costs, the net asset value of the Camshaft Funds may decrease faster than if there had been no borrowings.

If securities pledged to brokers or other financial institutions to secure the Camshaft Funds' margin accounts decline in value, the Camshaft Funds could be subject to a "margin call," pursuant to which the Camshaft Funds must either deposit additional funds with the broker, or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. The prime brokers and dealers that provide financing to the Camshaft Funds will determine the margin, haircut and collateral valuation policies that will apply to the Camshaft Funds from time to time.

Changes by prime brokers and dealers in margin, haircut, financing and valuation policies may result in margin calls, loss of financing and forced liquidations of positions at disadvantageous prices. There can be no assurance that the Camshaft Funds will be able to maintain any financing, and at times, especially during distressed market conditions, brokers and dealers have substantially reduced the availability of credit. If the Camshaft Funds is unable to obtain financing on terms acceptable to the Firm, the Camshaft Funds could be forced to liquidate portfolio investments on a schedule that the Firm would not otherwise follow and incur significant losses.

Hedging. Hedging techniques involve one or more of the following risks: (i) imperfect correlation between the performance and value of the instrument and the value of the Camshaft Funds securities or other objective of the Firm; (ii) possible lack of a secondary market for closing out a position in such instrument; (iii) losses resulting from interest rate, spread or other market movements not anticipated by the Firm; (iv) the possible obligation to meet additional margin or other payment requirements, all of which could worsen the Camshaft Funds' position; and (v) default or refusal to perform on the part of the counterparty with which the Camshaft Funds trade. Furthermore, to the extent that any hedging strategy involves the use of OTC derivatives transactions, such a strategy would be affected by implementation of various regulations, including those adopted pursuant to Dodd-Frank.

The Firm will not, in general, attempt to hedge all market or other risks inherent in the Camshaft Funds' positions, and hedges certain risks, if at all, only partially. Specifically, the Firm may choose not, or may determine that it is economically unattractive, to hedge certain risks—either in respect of particular positions or in respect of the Camshaft Funds' overall portfolio. The Camshaft Funds' portfolio composition will commonly result in various directional market risks remaining unhedged. The Firm may rely on diversification to control such risks to the extent that the Firm believes it is desirable to do so; however, the Camshaft Funds is not subject to formal diversification policies.

The ability of the Camshaft Funds to hedge successfully will depend on the ability of the Firm to predict pertinent price movements or the underlying causes of such price movements, which cannot be assured. The Firm is not required to hedge and there can be no assurance that hedging transactions will be available or, even if undertaken, will be effective. In addition, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations. Moreover, it should be noted that the portfolio will always be exposed to certain risks that cannot be hedged, such as counterparty credit risk. Furthermore, by hedging a particular position, any potential gain from an increase in the value of such position may be limited.

Emerging Market Investing. The Camshaft Funds may invest a portion of its assets in the securities of, or instruments providing exposure to, less developed countries or countries with new or developing capital markets ("Emerging Markets"), as well as trade the currencies of such countries to hedge currency exposure. The value of Emerging Markets currencies and securities may be drastically affected by political developments in the country of issuance. In addition, the existing governments in the relevant countries could take actions that could have a negative impact on the Camshaft Funds, including nationalization, expropriation, sudden imposition of capital

controls, imposition of confiscatory taxation or regulatory or imposition of withholding or other taxes on interest payments.

Some of the countries in which the Camshaft Funds may invest have experienced political, economic and/or social instability. Many such countries have also experienced dramatic swings in the value of their national currency. There can be no assurance that such instability or such fluctuations will not occur in the future and, if they do occur, that they will not have a substantial adverse effect on the performance of the Camshaft Funds.

The economies of many of the Emerging Markets countries are still in the early stages of modern development and are subject to abrupt and unexpected change. In many cases, governments retain a high degree of direct control over the economy and may take actions having sudden and widespread effects. Also, many Emerging Markets country economies have a high dependence on a small group of markets or even a single market. Emerging Markets countries also tend to have periods of high inflation and high interest rates, as well as substantial volatility in interest rates, which could affect the Camshaft Funds adversely.

Foreign investment in the Emerging Markets countries is in some cases restricted. Many of these countries have non-convertible currencies and the value of investments may be affected by fluctuation in available currency rates and exchange control regulations. The remittance of profits may therefore be restricted, and the Camshaft Funds may utilize swaps and other forms of indirect investment to access such markets. Moreover, the banking systems in these countries are not fully developed and considerable delays may occur in the transfer of funds within, and the remittance of monies out of, Emerging Markets countries.

Certain Emerging Markets countries are particularly likely to require identifying information about entities and persons who have direct, or even indirect, exposure to the securities of issuers in those countries. This may result in the Camshaft Funds being asked to provide information about investors to Emerging Markets regulators or to the brokers who are providing services to the Camshaft Funds in connection with trading activities. Such information may include, but may not be limited to, the identities, addresses and countries of origin of the investors.

Volatility. The market value of certain investments held by the Camshaft Funds may be volatile, and will generally fluctuate due to a variety of factors that are inherently difficult to predict, including, among other things, the macro business and economic environment, specific developments or trends in respect of a company or in any particular industry, the market's overall perception of risk, general economic conditions, the condition of certain financial markets, domestic and international economic and political events, prevailing credit spreads, changes in prevailing interest rates and the financial condition of counterparties.

Interest Rate Risk. The Camshaft Funds is subject to interest rate risk. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. The Firm may attempt to minimize the exposure of its portfolio to interest rate changes through the use of interest rate swaps, interest rate futures

and/or interest rate options. However, there can be no guarantee that the Firm will be successful in mitigating the impact of interest rate changes on its portfolio.

Potential Inability to Trade or Report Due to Systems Failure. The Firm's investment strategies rely extensively on a wide range of information technology systems, including computer hardware and software systems and will be dependent to a significant degree on the proper functioning of such internal and external computer systems. Information technology systems are subject to a number of inherent and unpredictable risks. Accordingly, systems failures, whether due to third-party failures upon which such systems are dependent or the failure of the Firm's hardware or software, could disrupt trading or make trading impossible until such failure is remedied. Any such failure, and consequential inability to trade (even for a short time), could, in certain market conditions, cause the Camshaft Funds to experience significant trading losses or to miss opportunities for profitable trading. Any such failures also could cause a temporary delay in reports to investors.

Availability of Investment Opportunities. There can be no assurance that the Firm will be able to find suitable opportunities consistent with its investment approach or that it believes will likely to provide the desired returns. Market conditions may limit the availability of investment opportunities. Such limitations may cause delays in deploying the Camshaft Funds' capital, concentration of the Camshaft Funds' investments and may negatively impact the Camshaft Funds' returns.

No Material Restrictions. The Firm will opportunistically implement whatever investment strategies it believes from time to time may be best suited to prevailing market conditions and to the Firm's investment approach, without material restrictions. Such investment strategies may involve higher levels of risk than the ones discussed herein. There can be no assurance that the Firm will be successful in applying any strategy to the Camshaft Funds' investing.

Risks Relating to Financial Instruments Traded

Futures. The rapid fluctuations in the market prices of futures interests make an investment in the Camshaft Funds volatile. Volatility is caused by changes in supply and demand relationships; weather; agricultural, trade, fiscal, monetary and exchange control programs; U.S. and non-U.S. political and economic events and policies; and changes in interest rates. If the Firm incorrectly predicts the direction of the price in a futures interest, large losses may occur and the Camshaft Funds could lose all or substantially all of its assets.

Futures prices are highly volatile and are affected by a wide variety of complex and hard to predict factors; consequently, a primary risk in trading these instruments is rapid fluctuations in market prices in a short time period. Price fluctuations may affect the Firm's ability to earn investment returns for the Camshaft Funds. Market volatility may also depart significantly from historical averages, which could affect performance. Volatility could create adverse results for the performance of the Camshaft Funds in several ways. A period of substantial volatility shortly after an investor's initial investment, or additional investments thereafter, could adversely affect performance and cause a significant reduction in such investor's equity, making it more difficult to achieve profitability. Substantial volatility prior to the time of a planned redemption/withdrawal

adversely affect performance, and could reduce the amount of proceeds actually received when the redemption/withdrawal has been completed.

Futures exchanges may impose position accountability limits (the "Position Accountability Limits") with respect to certain futures contracts traded on each particular futures exchange. Position Accountability Limits are triggers that would bring the Camshaft Funds' position(s) to the attention of the exchange. Through the application of Position Accountability Limits, exchanges can prohibit an investor from holding a position of more than a specific number of futures contracts. Under the rules of a futures exchange, if the Camshaft Funds holds a certain number of futures contracts approaching the Position Accountability Limit, the Camshaft Funds may be required by the futures exchange to limit or decrease its holdings of such futures contracts pursuant to the futures exchange's Position Accountability Limits. If the Camshaft Funds is required to either limit or decrease its holdings of such futures contracts, or if an exchange lowers its Position Accountability Limits, the Camshaft Funds may be adversely affected and may not be able to achieve its investment objective.

Non-U.S. Futures. Foreign futures transactions involve executing and clearing trades on non-U.S. futures exchanges. This is the case even if the foreign exchange is formally "linked" to a U.S. futures exchange, whereby a trade executed on one exchange liquidates or establishes a position on the other exchange. No U.S. organization regulates the activities of a foreign exchange, including the execution, delivery and clearing of transactions on such an exchange, and no domestic regulator has the power to compel enforcement of the rules of the foreign exchange or the laws of the foreign country. Moreover, such laws or regulations will vary depending on the foreign country in which the transaction occurs. For these reasons, the Camshaft Funds may not be afforded certain of the protections which apply to domestic transactions, including the right to use domestic alternative dispute resolution procedures. In particular, funds received from customers to margin foreign futures transactions may not be provided the same protections as funds received to margin futures transactions on domestic exchanges. In addition, the price of any foreign futures or option contract and, therefore, the potential profit and loss resulting therefrom, may be affected by any fluctuation in the foreign exchange rate between the time the order is placed and the time the foreign futures contract is liquidated or the foreign option contract is liquidated or exercised.

Credit Default Swaps. The Camshaft Funds may invest in credit default swaps ("CDS"). A credit default swap is a contract between two parties which transfers the risk of loss if a company fails to pay principal or interest on time or files for bankruptcy. Credit default swaps can be used to hedge a portion of the default risk on a single corporate bond or a portfolio of bonds. In addition, credit default swaps can be used to implement the Firm's view that a particular credit, or group of credits, will experience credit improvement or credit impairment. Swap transactions dependent upon credit events are priced incorporating many variables including the pricing and volatility of the common stock, and potential loss upon default, among other factors. As such, there are many factors upon which market participants may have divergent views.

The Camshaft Funds may also purchase or sell CDS on a basket of reference entities or an index. In circumstances in which the Camshaft Funds is the credit default swap buyer and does not own the debt securities that are deliverable under a CDS, the Camshaft Funds is exposed to the risk that deliverable securities will not be available in the market, or will be available only at

unfavorable prices, as would be the case in a so-called "short squeeze." While the credit default swap market auction protocols reduce this risk, it is still possible that an auction will not be organized or will not be successful. As a seller of CDS, the Camshaft Funds incurs leveraged exposure to the credit of the reference entity and is subject to many of the same risks it would incur if it were holding debt securities issued by the reference entity. However, the Camshaft Funds will not have any legal recourse against the reference entity and will not benefit from any collateral securing the reference entity's debt obligations. In addition, in the event that a cash settlement auction to identify the relevant deliverable securities, is not established the credit default swap buyer will have broad discretion to select which of the reference entity's debt obligations to deliver to the Camshaft Funds following a credit event and will likely choose the obligations with the lowest market value in order to maximize the payment obligations of the Camshaft Funds.

Equity Investments. The Camshaft Funds intends to invest in equity markets, which may involve substantial risks. Investments in equity markets are highly volatile and may be subject to wide and sudden fluctuations, with a resulting fluctuation in the Camshaft Funds' performance. Equity markets may decline due to factors affecting equity securities markets generally or particular industries represented in those markets. Factors affecting the equity markets include, without limitation, real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, political events or adverse investor sentiment generally. They may also decline due to factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Equity markets tend to be cyclical and may experience periods of turbulence. For the foregoing reasons, investments in equity markets can be highly speculative and carry a substantial risk of loss of principal.

The Camshaft Funds' single name equity investments may involve substantial risks and may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. There are no absolute restrictions in regard to the size or operating experience of the companies in which the Camshaft Funds may invest. Relatively small companies may lack management depth or the ability to generate internally, or obtain externally, the funds necessary for growth. Companies with new products or services could sustain significant losses if projected markets do not materialize. Equity prices are directly affected by issuer specific events, as well as general market conditions. In addition, in many countries investing in common stocks is subject to heightened regulatory and self-regulatory scrutiny as compared to investing in debt or other Financial Instruments. Changes in the structure of the equity markets or new market participants may materially impede the Camshaft Funds' investment strategy.

Fixed Income Investments. The Camshaft Funds intends to invest in bonds and other fixed income securities of U.S. and non-U.S. issuers. The value of the fixed income securities in which the Camshaft Funds may invest changes both as general market conditions change and as the general levels of interest rates fluctuate. When interest rates decline, the value of the Camshaft Funds' fixed income securities can be expected to rise. Conversely, when interest rates rise, the value of such securities is generally expected to decline. Investments in lower rated or unrated fixed income securities in which the Camshaft Funds may invest, while generally providing greater opportunity for gain and income than investments in higher rated securities, usually entail greater risk (including the possibility of default or bankruptcy of the issuers of such securities). Fixed

income securities are generally not exchange traded and therefore, usually carry a higher level of liquidity and mark-to-market risk potential than most exchange-traded equity securities.

The Camshaft Funds may take positions in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Camshaft Funds may take positions in debt securities which are not protected by financial covenants or limitations on additional indebtedness. The Camshaft Funds may invest in securities which are moral obligations of issuers or subject to appropriations. The Camshaft Funds will therefore be subject to credit and liquidity risks. In addition, evaluating credit risk for debt securities of issuers in some jurisdictions involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult.

Prepayment Risk. The frequency at which prepayments (including voluntary prepayments by the obligors and accelerations due to defaults) occur on debt instruments will be affected by a variety of factors including the prevailing level of interest rates and spreads as well as economic, demographic, tax, social, legal and other factors. Generally, obligors tend to prepay their fixed rate obligations when prevailing interest rates fall below the coupon rates on their obligations. Similarly, floating rate issuers and borrowers tend to prepay their obligations when spreads narrow.

In general, "premium" securities (securities whose market values exceed their principal or par amounts) are adversely affected by faster than anticipated prepayments, and "discount" securities (securities whose principal or par amounts exceed their market values) are adversely affected by slower than anticipated prepayments. Since many fixed rate obligations will be discount instruments when interest rates and/or spreads are high, and will be premium instruments when interest rates and/or spreads are low, such debt instruments may be adversely affected by changes in prepayments in any interest rate environment.

The adverse effects of prepayments may impact the Camshaft Funds' portfolio in two ways. First, particular investments may experience outright losses, as in the case of an interest-only instrument in an environment of faster actual or anticipated prepayments. Second, particular investments may underperform relative to hedges that the Firm may have constructed for these investments, resulting in a loss to the Camshaft Funds' overall portfolio. In particular, prepayments (at par) may limit the potential upside of many instruments to their principal or par amounts, whereas their corresponding hedges often have the potential for unlimited loss.

High-Yield Securities. The Camshaft Funds may invest in high yield securities. High-yield securities face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer's inability to meet timely interest and principal payments. The market values of certain of these lower-rated and unrated debt securities tend to reflect individual corporate developments to a greater extent than do higher-rated securities which react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions than are higher-rated securities. Companies that issue such securities are often highly leveraged and may not have available

to them more traditional methods of financing. It is possible that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is possible that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default of such securities.

Corporate Debt. Bonds, notes and debentures issued by corporations may pay fixed, variable or floating rates of interest, and may include zero-coupon obligations. Corporate debt instruments may be subject to credit ratings downgrades. Other instruments may have the lowest quality ratings or may be unrated. In addition, the Camshaft Funds may be paid interest in kind in connection with its investments in corporate debt and related Financial Instruments (e.g., the principal owed to the Camshaft Funds in connection with a debt investment may be increased by the amount of interest due on such debt investment). Such investments may experience greater market value volatility than debt obligations that provide for regular payments of interest in cash and, in the event of a default, the Camshaft Funds may experience substantial losses.

Mezzanine Debt. Mezzanine debt is typically junior to the obligations of a company to senior creditors, trade creditors and employees. The ability of the Master Fund to influence a company's affairs, especially during periods of financial distress or following an insolvency, will be substantially less than that of senior creditors. Mezzanine debt instruments are often issued in connection with leveraged acquisitions or recapitalizations in which the issuers incur a substantially higher amount of indebtedness than the level at which they had previously operated. Default rates for mezzanine debt instruments have historically been higher than for investment-grade instruments. In the event of the insolvency of a portfolio company of the Master Fund or similar event, the Master Fund's debt investment therein will be subject to fraudulent conveyance, subordination and preference laws.

Non-Performing Nature of Debt. Certain debt instruments may be non-performing or in default. Furthermore, the obligor or relevant guarantor may also be in bankruptcy or liquidation. There can be no assurance as to the amount and timing of payments, if any, with respect to such debt instruments.

Troubled Origination. When financial institutions or other entities that are insolvent or in serious financial difficulty originate debt, the standards by which such instruments were originated, the recourse to the selling institution, or the standards by which such instruments are being serviced or operated may be adversely affected.

Obligations of Governments, their Agencies and Instrumentalities. The Camshaft Funds intends to invest in government securities. Government securities are obligations of, or are guaranteed by, governments, their agencies or instrumentalities. These instruments include bills, certificates of indebtedness and notes and bonds issued by governments, states, municipalities or by government agencies or instrumentalities. Some government securities, such as U.S. Treasury bills and bonds, are supported by the full faith and credit of the government treasury; others are supported by the right of the issuer to borrow from the government treasury; others are supported by the discretionary authority of the government to purchase the agency's obligations; still others

are supported only by the credit of the instrumentality. Certain events, including bankruptcy filings by certain municipalities, have highlighted the risks inherent in investing in government securities. It is difficult, if not impossible, to determine the extent to which such filings will become more common. Bankruptcy laws applicable to governments are relatively untested and may not provide the same protections to creditors as those contained in bankruptcy laws applicable to non-government debtors. It is impossible to predict whether the Partnership will be able to successfully avoid losses relating to defaults by issuers of governmental securities.

Various factors may adversely affect the value and yield of municipal securities. These factors include imbalances in demand, potential legislative changes, as well as uncertainties related to the tax status of municipal bonds or the rights of others holding these securities. Returns will depend on a positively sloped yield curve and the relationship between the tax-exempt and taxable yield curves. Adverse changes in the slope of the municipal bond yield curve as well as its relationship to the taxable yield curve, among other things, could have a material adverse effect on performance. Investments in municipal securities may be subject to liquidity risk because of the fragmentation of the municipal bond market and the unique effect that political, legislative and/or regulatory actions can have on the municipal bond market, compared to the taxable markets.

The Camshaft Funds intends to invest in sovereign debt issued or guaranteed by U.S. and non-U.S. governments, their agencies and instrumentalities either in the currency of their domicile or in a foreign currency. Investors in sovereign debt may be asked to participate in debt restructuring, including the deferral of interest and principal payments, and may also be requested by the issuer to extend additional loans. Investments in sovereign debt are subject to varying degrees of credit risk depending on the level of government support. Certain sovereign debt securities are supported by the full faith and credit of the national government or political subdivision or agency, while others lack such support. Investments in sovereign debt are also subject to varying degrees of credit risk as a result of financial or political instability in the relevant countries. Certain events, such as the political and economic instability in various European Union (the "EU") countries, have highlighted the risks inherent in investing in sovereign debt, including an EU member choosing to leave the Eurozone and redenominating its debt. The unwillingness of one or more EU countries to provide assistance to distressed sovereigns within the EU underlines the unexpected political dynamics that may arise to undermine investor expectations regarding the safety of sovereign debt.

Additionally, the financial markets are roiled from time to time by evolving developments relating to possible sovereign defaults or moratoriums. A sovereign's financial condition is subject to numerous factors—social programs, political pressure, supra-national economic actions—all or many of which may be exogenous to the Firm's analysis and research and may from time to time dominate market pricing (even if contrary to fundamental/trading dynamic pricing correctly identified by the Firm). It is impossible to predict whether the Camshaft Funds will be able to successfully avoid losses relating to sovereign default. There is no current means of collecting on defaulted sovereign debt as part of bankruptcy or other proceedings.

In addition to general default risk relating to sovereign debt, if the Camshaft Funds invests in sovereign debt denominated in a currency other than U.S. Dollars (or in respect of which payments of principal or interest are paid in a currency other than U.S. Dollars), the Camshaft Funds will be exposed to the risk that one or more jurisdictions may impose currency controls that

would limit the Camshaft Funds' ability to convert such payments of principal or interest to U.S. Dollars. It is impossible to predict whether any such currency controls will be imposed.

Countries or territories (including Venezuela, Russia, Argentina, Puerto Rico, Turkey and Lebanon) have encountered, or are currently encountering, difficulties in servicing their external national or government debt obligations, which led to defaults on government obligations and the restructuring of certain indebtedness. One sovereign default may have an adverse effect on the markets of both the defaulting country or territory and non-defaulting countries and/or territories.

Repurchase and Reverse Repurchase Agreements. The Camshaft Funds may enter into repurchase and reverse repurchase agreements. When the Camshaft Funds enters into a repurchase agreement, it "sells" securities to a broker-dealer or financial institution, and agrees to repurchase such securities on a mutually agreed date for the price paid by the broker-dealer or financial institution, plus interest at a negotiated rate. In a reverse repurchase transaction, the Camshaft Funds "buys" securities from a broker-dealer or financial institution, subject to the obligation of the broker-dealer or financial institution to repurchase such securities at the price paid by the Camshaft Funds, plus interest at a negotiated rate. The use of repurchase and reverse repurchase agreements by the Camshaft Funds involves certain risks. For example, if the seller of securities to the Camshaft Funds under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Camshaft Funds will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganization under applicable bankruptcy or other laws, the Camshaft Funds' ability to dispose of the underlying securities may be restricted. It is possible, in a bankruptcy or liquidation scenario, that the Camshaft Funds may not be able to substantiate its interest in the underlying securities. Finally, if a seller defaults on its obligation to repurchase securities under a reverse repurchase agreement, the Camshaft Funds may suffer a loss to the extent that it is forced to liquidate its position in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller.

Distressed Securities. The fact that certain of the companies in whose securities the Camshaft Funds may invest are in transition, out of favor, financially leveraged or troubled, or potentially troubled, and may be or have recently been involved in major strategic actions, restructurings, bankruptcy, reorganization or liquidation, means that their securities are likely to be particularly risky investments although they also may offer the potential for correspondingly high returns. Such companies' securities may be considered speculative, and the ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry, or specific developments within such companies. In addition, there is no minimum credit standard that is a prerequisite to the Camshaft Funds' investment in any instrument, and a significant portion of the obligations and preferred stock in which the Camshaft Funds invests may be less than investment grade.

Investment in the securities of financially troubled issuers and operationally troubled issuers involves a high degree of credit and market risk. Although the Camshaft Funds invests in select companies that, in the view of the Firm, have the potential over the long-term for capital growth, there can be no assurance that such financially troubled issuers or operationally troubled issuers can be successfully transformed into profitable operating companies. There is a possibility

that the Camshaft Funds may incur substantial or total losses on its investments. During an economic downturn or recession, securities of financially troubled or operationally troubled issuers are more likely to go into default than securities of other issuers. In addition, it may be difficult to obtain information about financially troubled issuers and operationally troubled issuers.

Securities of financially troubled issuers and operationally troubled issuers are less liquid and more volatile than securities of companies not experiencing financial difficulties. The market prices of such securities are subject to erratic and abrupt market movements and the spread between bid and asked prices may be greater than normally expected. In addition, it is anticipated that many of the Camshaft Funds' portfolio investments may not be widely traded and that the Camshaft Funds' investment in such securities may be substantial relative to the market for such securities. As a result, the Camshaft Funds may experience delays and incur losses and other costs in connection with the sale of its portfolio securities.

Derivative Instruments. The Camshaft Funds will use various derivative financial instruments for both hedging and synthetic investing. Derivative financial instruments include credit derivatives, interest rate swaps, total return swaps, options, forward currency contracts and futures. In addition, the Camshaft Funds may from time to time use both exchange-traded and OTC futures and options as part of its investment strategy and for hedging purposes. Such derivative instruments may be highly volatile, involve certain special risks and expose investors to a high risk of loss.

The risks relating to OTC derivatives that are not otherwise cleared through a central clearing party include, but are not limited to, the following: (i) credit risk (the exposure to the possibility of loss resulting from a counterparty's failure to meet its financial obligations); (ii) market risk (adverse movements in the price of a financial asset or commodity); (iii) legal risk (the characterization of a transaction or a party's legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could preempt otherwise enforceable contract rights); (iv) operational risk (inadequate controls, deficient procedures, human error, system failure or fraud); (v) documentation risk (exposure to losses resulting from inadequate documentation); (vi) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative); (vii) systemic risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (viii) concentration risk (exposure to losses from the concentration of closely related risks such as exposure to a particular industry or exposure linked to a particular entity); and (ix) settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty).

Use of derivatives and other techniques such as short sales for hedging purposes involves certain additional risks, including (i) dependence on the ability to predict movements in the price of the Financial Instruments hedged; (ii) imperfect correlation between movements in the Financial Instruments on which the derivative is based and movements in the assets of the underlying portfolio; and (iii) possible impediments to effective portfolio management or the ability to meet short-term obligations because of the percentage of a portfolio's assets segregated to cover its obligations. In addition, by hedging a particular position, any potential gain from an increase in value of such position may be limited. See also "Short Selling," "Options" and "Leverage."

Transactions in OTC derivatives may involve other risks as well. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further losses exceeding any margin deposited. Further, when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged. Lastly, regulatory restraints may restrict the notional amount of instruments that the Camshaft Funds may trade.

Swaps. The Camshaft Funds may enter into swap agreements (including total return and foreign exchange swaps) and other types of OTC transactions with broker-dealers or other financial institutions. Depending on their structures, swap agreements may increase or decrease the Camshaft Funds' exposure to various securities, commodities, indices, currencies or other investments or units of measure. The values of the Camshaft Funds' swap positions would increase or decrease depending on the changes in value of the underlying asset.

Total return swaps typically involve commitments to pay interest in exchange for a market-linked return, both based on notional amounts. Depending on the change in the value or level of the underlying instrument, basket of instruments, or index, the Camshaft Funds will either receive or make a payment based on the amount of the change. To the extent the total return of the instrument, basket of instruments, or index underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the Camshaft Funds will receive a payment from or make a payment to the counterparty, respectively.

The use of swaps involves investment techniques and risks different from and potentially greater than those associated with ordinary securities transactions. Swaps involve the risk that the price of the swap used by the Camshaft Funds to calculate net asset value does not accurately reflect its fair market value, which could have a favorable or unfavorable effect on the net asset value of the Camshaft Funds. Some swaps are complex and, in the case of bilateral (uncleared) swaps, may be valued based on quotations given by the Camshaft Funds' swap counterparty, who has adverse interests to the Camshaft Funds with respect to the value of the swap. In certain cases related to bilateral (uncleared) swaps, the Camshaft Funds' swap counterparty may be the only source of value quotations for a swap, while in other cases, multiple quotes may be available. There are also different methodologies that may be used to determine the value of a credit default swap and credit default swap spreads may be wide. As a result of the foregoing factors, the Camshaft Funds may not be able to close out swaps at the price used by the Camshaft Funds to calculate its net asset value. Also, under certain circumstances related to bilateral (uncleared) swaps, if a swap counterparty undervalues the Camshaft Funds' interest in a swap, it could require the Camshaft Funds to transfer greater amounts of collateral to the counterparty than if the swap was valued at fair market value.

Because the master and credit support agreements for bilateral (uncleared) OTC swap transactions are individually negotiated with a specific counterparty, there exists the risk that the parties may interpret contractual terms (*e.g.*, the definition of default) differently when the Camshaft Funds seeks to enforce its contractual rights. If that occurs, the Camshaft Funds may be

forced to seek to enforce its contractual rights through legal proceedings, which may be costly and time consuming.

There is currently little case law characterizing total rate of return swaps and other derivatives, interpreting their provisions and characterizing their tax treatment. There can be no assurance that future decisions construing similar provisions to those in many of the Camshaft Funds' swap agreements or other related documents or additional regulations and laws governing such derivatives will not have a material adverse effect on the Camshaft Funds.

The CFTC requires certain derivative transactions that were previously executed on a bilateral basis in the OTC markets to be executed through a regulated futures or swap exchange or execution facility. The SEC is also expected to impose similar requirements on certain security-based derivatives in the near future, though it is not yet clear when these parallel SEC requirements will go into effect. Such requirements may make it more difficult and costly for investment funds, including the Camshaft Funds, to enter into highly tailored or customized transactions. They may also render certain strategies in which the Camshaft Funds might otherwise engage impossible or so costly that they will no longer be economical to implement. If the Camshaft Funds decides to execute derivatives transactions through such exchanges or execution facilities—and especially if it decides to become a direct member of one or more of these exchanges or execution facilities—the Camshaft Funds would be subject to the rules of the exchange or execution facility, which would bring additional risks and liabilities, and potential requirements under applicable regulations and under rules of the relevant exchange or execution facility.

With respect to cleared OTC derivatives, the Camshaft Funds will not face a clearinghouse directly but rather through an OTC derivatives dealer that is registered with the CFTC or SEC to act as a clearing member. The Camshaft Funds may face the indirect risk of the failure of another clearing member customer to meet its obligations to its clearing member. Such scenario could arise due to a default by the clearing member on its obligations to the clearinghouse, triggered by a customer's failure to meet its obligations to the clearing member.

Options. The Camshaft Funds may engage in the trading of options. Trading options is highly speculative and may entail risks that are greater than investing in other securities. The value of options will be affected by market volatility and prices of options are generally more volatile than prices of other securities. Furthermore, specific market movements of the securities underlying an option cannot accurately be predicted.

In trading options, the Firm speculates on market fluctuations of securities and securities indices (or other indices, such as credit indices) while investing only a small percentage of the value of the securities underlying such option. A change in the market price of the underlying securities or underlying market index will cause a much greater change in the price of the option contract. In addition, to the extent that the Camshaft Funds purchases options that it does not sell or exercise, the Camshaft Funds will suffer the loss of the premium paid in such purchase. To the extent the Camshaft Funds sells uncovered options and must deliver the underlying securities at the option price, the Camshaft Funds has a theoretically unlimited risk of loss if the price of such underlying securities increases. If the Camshaft Funds must buy those underlying securities, the Camshaft Funds risks the loss of the difference between the market price of the underlying securities and the option price. Any gain or loss derived from the sale or exercise of an option will

be reduced or increased, respectively, by the amount of the premium paid. The expenses of option investing include commissions payable on the purchase and on the exercise or sale of an option.

Stock Index Options. The Camshaft Funds may purchase and sell call and put options on stock indices listed on securities exchanges or traded in the over-the-counter market for the purpose of realizing its investment objectives or for the purpose of hedging its portfolio. A stock index fluctuates with changes in the market values of the stocks included in the index. The effectiveness of purchasing or writing stock index options for hedging purposes will depend upon the extent to which price movements in the Camshaft Funds' portfolio correlates with price movements of the stock indices selected. Because the value of an index option depends upon movements in the level of the index rather than the price of a particular stock, whether the Camshaft Funds realizes gains or losses from the purchase or writing of options on indices depends upon movements in the level of prices in the stock market generally or, in the case of certain indices, in an industry or market segment, rather than movements in the price of particular stocks. Accordingly, successful use by the Camshaft Funds of options on stock indices will be subject to the Firm's ability to correctly predict movements in the direction of the stock market generally or of particular industries or market segments.

Forward Contracts. The Camshaft Funds may enter into forward contracts, generally for currency hedging purposes. In the absence of exchange trading and the involvement of clearing houses, there are no standardized terms for forward contracts. Accordingly, the parties are free to establish such settlement times and underlying amounts of a security or currency as desirable, which may vary from the standardized provisions available through any futures contract. In addition, as two party obligations for which there is no secondary market, forward contracts involve counterparty risk not present with futures.

Foreign Securities and Foreign Currencies. The Camshaft Funds may invest in securities of foreign issuers (including by entering into total return swap and similar Financial Instruments), securities denominated in foreign currencies, and depository receipts, such as ADRs, which are receipts typically issued by a U.S. bank or trust company and which evidence ownership of underlying securities of non-U.S. corporations. Investing in foreign securities, currencies, and/or ADRs may present a greater degree of risk than investing in domestic securities and currencies due to possible exchange rate fluctuations, a change in trade balances, possible exchange controls, less publicly-available information, more volatile markets, less regulation, less favorable tax provisions (including possible withholding taxes), war or expropriation. In particular, the dollar value of portfolio securities of non-U.S. issuers fluctuates with changes in market and economic conditions abroad and with changes in relative currency values. The application of foreign tax laws (e.g., the imposition of withholding taxes on dividend or interest payments) or confiscatory taxation may also affect investment in foreign securities.

The Camshaft Funds may trade on exchanges located outside the United States. Trading on U.S. exchanges is subject to SEC and CFTC regulation and oversight, as applicable, including, for example, minimum capital requirements for commodity brokers, regulation of trading practices on the exchanges, prohibitions against trading ahead of customer orders, prohibitions against filling orders off exchanges, prescribed risk disclosure statements, testing and licensing of industry sales personnel and other industry professionals, and recordkeeping requirements. Trading on foreign exchanges is not regulated by the SEC, CFTC or any other U.S. governmental agency or

instrumentality and may be subject to regulations that are different from those to which U.S. exchange trading is subject, provide less protection to investors than trading on U.S. exchanges, and may be less vigorously enforced than regulations in the United States. Positions on foreign exchanges also are subject to the risk of exchange controls, expropriation, excessive taxation or government disruptions.

Commodities. Trading commodities and commodity interests (e.g., futures contracts on commodities, securities indices or currencies) is highly speculative and may entail risks that are greater than the risks associated with investing in equity securities. Prices of commodity interests are generally more volatile than prices of equity securities and such volatility is expected to reoccur in the future. Because of the low margin deposits typically required in commodity contract trading, a relatively small movement in the market price of a commodity contract may result in a disproportionately large profit or loss to the Camshaft Funds. Market movements can be volatile and are difficult to predict. Weather, inflation, trade policies, geopolitical events and other unforeseen events can also have a significant impact upon commodity prices. A variety of possible actions by various government agencies also can inhibit profitability or can result in losses. Such events could result in large market movements and volatile market conditions and create the risk of significant losses for the Camshaft Funds.

Market-Related and Regulatory Risks

Market Disruptions; Governmental Intervention. The global financial markets have in the past decade undergone pervasive and fundamental disruptions that have led to extensive and unprecedented governmental intervention. Such intervention has in certain cases been implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition—as one would expect given the complexities of the financial markets and the limited time frame within which governments have felt compelled to take action—these interventions have typically been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies.

The Camshaft Funds may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Camshaft Funds from its banks, dealers and other counterparties is typically reduced in disrupted markets. Such a reduction may result in substantial losses to the Camshaft Funds. Market disruptions may from time to time cause dramatic losses for the Camshaft Funds, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("<u>Dodd-Frank</u>") seeks to regulate markets, market participants and Financial Instruments that previously have been unregulated and substantially alters the regulation of many other markets, market participants and Financial Instruments. Because the implementation of Dodd-Frank is ongoing, it is difficult to predict the ultimate impact of Dodd-Frank on the Camshaft Funds, the Firm and the markets in

which they trade and invest. Dodd-Frank and regulations adopted pursuant to Dodd-Frank could have a material adverse impact on the profit potential of the Camshaft Funds.

Effect of Speculative Position Limits. The CFTC and the United States commodities exchanges impose limits referred to as "speculative position limits" on the maximum net long or net short speculative positions that any person may hold or control in any particular futures or options contracts traded on United States commodities exchanges. For example, the CFTC currently imposes speculative position limits on a number of agricultural commodities (e.g., corn, oats, wheat, soybeans and cotton) and United States commodities exchanges currently impose speculative position limits on many other commodities. Dodd-Frank significantly expands the CFTC's authority to impose position limits with respect to futures contracts and options on futures contracts, swaps that are economically equivalent to futures or options on futures, and swaps that are traded on a regulated exchange and certain swaps that perform a significant price discovery function. In response to this expansion of its authority, in 2012, the CFTC proposed a series of new speculative position limits with respect to futures and options on futures on so-called "exempt commodities" (which includes most energy and metals contracts) and with respect to agricultural commodities. Those proposed speculative position limits were vacated by a United States District Court, but the CFTC has again proposed a new set of speculative position limit rules which are not yet finalized (or effective). If the CFTC is successful in its second attempt to establish speculative position limits, the size or duration of positions available to the Camshaft Funds may be severely limited. All accounts owned or managed by the Firm are likely to be combined for speculative position limit purposes. Thus, the Camshaft Funds could be required to liquidate positions it holds in order to comply with such limits, or may not be able to fully implement trading instructions in order to comply with such limits. Any such liquidation or limited implementation could result in substantial costs to the Camshaft Funds.

European Market Infrastructure Regulation. The European Market Infrastructure Regulation ("EMIR") introduced certain requirements in respect of derivative contracts, which apply to varying degrees to entities established in the EU, regardless of whether they are transacting with counterparties established in the EU or outside of the EU. As such, where the Camshaft Funds transacts with EU counterparties, they will likely require the transaction to be EMIR-compliant, with the result that the Camshaft Funds becomes subject to additional obligations and/or costs that may not otherwise have applied.

Broadly, EMIR's requirements in respect of derivative contracts are (i) mandatory clearing of OTC derivative contracts declared subject to the clearing obligation; (ii) risk mitigation techniques in respect of uncleared OTC derivative contracts; and (iii) reporting and record-keeping requirements in respect of all derivative contracts. The application of these requirements is dependent on the classification of the counterparties as financial counterparties ("FCs"), non-financial counterparties above the clearing threshold ("NFC+s") or non-financial counterparties below the clearing threshold ("NFC-s").

The EU regulatory framework and legal regime relating to derivatives comprises not only EMIR but also includes a package of legislation, technical standards and related guidance collectively known as MiFID II as described below.

Prospective investors should be aware that there may be ongoing costs (whether direct or indirect) of compliance with EMIR, and that EMIR may adversely affect the Camshaft Funds' ability to engage in certain derivative transactions.

MiFID II. The European Union Markets in Financial Instruments Directive ("<u>MiFID</u>") governs the provision of investment services and activities in relation to, as well as the organized trading of, financial instruments such as shares, bonds, units in collective investment schemes and derivatives. MiFID will be comprehensively revised and replaced by a new EU directive and regulation, collectively referred to as "<u>MiFID II</u>", from January 3, 2018. Although the Camshaft Funds is not organized in the EU, and is not authorized or regulated by any EU member state financial services regulator, certain aspects of MiFID II may have an impact on the Camshaft Funds.

MiFID II imposes certain restrictions as to the trading of shares and derivatives, which could apply to transactions made by or with the Camshaft Funds. Subject to certain conditions and exceptions, the Camshaft Funds may be unable to trade shares or derivatives with affected counterparties other than as provided by MiFID II. MiFID II also applies position limits to the size of a net position that a person can hold at all times in commodity derivatives traded on EU trading venues and in "economically equivalent" OTC derivatives.

More generally, EU regulated firms that have trading relationships with the Camshaft Funds may be obliged by MiFID II to impose certain requirements on the Camshaft Funds, or they may seek to do so contractually, with a view to satisfying their own compliance obligations. It is difficult to predict the full impact of MiFID II on the Camshaft Funds. Prospective investors should also be aware that there may be costs (whether direct or indirect) of compliance with MiFID II.

EU Short Selling Regulation. On November 1, 2012, the EU Regulation on Short Selling and Certain Aspects of Credit Default Swaps (the "SSR") became directly applicable in all member states of the EU. The SSR applies to short sales of, and short positions relating to, the issued share capital of companies whose shares are admitted to trading on a regulated market or multilateral-trading facility in the EU (unless the principal trading venue for the relevant shares is located in a country outside the EU) ("EU listed shares"), among other types of investments. The SSR imposes certain private and public disclosure obligations in respect of short positions in EU listed shares which apply to all natural or legal persons, irrespective of regulatory status, located inside or outside the EU. The SSR also contains prohibitions on uncovered short sales of EU listed shares in certain circumstances. National regulators, and in certain circumstances, the European Securities and Markets Authority, are able to take certain additional emergency measures (including complete bans on short-selling activities) if certain conditions are met. The SSR may prevent the Firm from fully expressing negative views in relation to EU listed shares. Accordingly, the ability of the Firm to implement the investment approach and fulfill the investment objective of the Camshaft Funds may be constrained.

International Investing. Investing outside the United States may involve greater risks than investing in the United States. Investing in emerging and certain non-U.S. markets involves additional risks and special considerations not typically associated with investing in other more established economies or markets. Such risks may include, without limitation: (i) increased risk of nationalization or expropriation of assets or confiscatory taxation; (ii) greater social, economic and

political uncertainty, including civil and ethnic unrest, war, abrupt changes in political and economic power, changes in government institutions and policies or famine; (iii) potentially higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalization of markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) capital controls, such as limitations on the ability to exchange local currencies for U.S. Dollars, and trade restrictions, including quotas, tariffs, customs, duties and other assessments, which may lead to significant costs and delays in obtaining licenses, approvals and authorizations; (viii) increased likelihood of governmental involvement in and control over the economy, issuers and financial markets; (ix) governmental decisions to cease support of economic reform programs or to impose centrally planned economies; (x) preferential treatment of local interests over foreign interests by the government, including legislators, regulators and courts; (xi) differences in auditing and financial reporting standards which may result in the unavailability of reliable, current or detailed information about issuers; (xii) less extensive or more extensive regulation of the markets; (xiii) longer settlement periods for transactions and less reliable clearance and custody arrangements; (xiv) greater correlation to commodity price movements; (xv) imposition of withholding or other taxes on dividends, interest, capital gains, gross sales or disposition proceeds or other income; (xvi) higher transaction costs; and (xvii) certain considerations regarding the maintenance of the Camshaft Funds' securities with non-U.S. brokers and securities depositories. Moreover, non-U.S. companies are generally not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to United States companies.

Non-U.S. markets may also have different clearance and settlement procedures, and in certain markets there have been times when settlements have failed to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Delays in settlement could result in periods when assets of the Camshaft Funds are uninvested and no return is earned thereon. The inability of the Camshaft Funds to make intended security purchases due to settlement problems or the risk of intermediary counterparty failures could cause the Camshaft Funds to miss investment opportunities. The inability to dispose of a security due to settlement problems could result either in losses to the Camshaft Funds due to subsequent declines in the value of such security or, if the Camshaft Funds has entered into a contract to sell the security, could result in possible liability to the purchaser. Transaction costs of buying and selling non-U.S. securities, including brokerage, tax and custody costs, may be higher than those involved in U.S. transactions. Furthermore, many non-U.S. financial markets, while generally growing in volume, have, for the most part, substantially less volume than U.S. markets, and securities of many non-U.S. companies are historically less liquid and their prices historically more volatile than securities of comparable U.S. companies.

The economies of individual non-U.S. countries may also differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, volatility of currency exchange rates, depreciation, capital reinvestment, interest rates, resources, self-sufficiency and balance of payments position.

United Kingdom Membership of the European Union. The United Kingdom ("UK") ceased to be a member of the EU on January 31, 2020 ("Brexit"). During a prescribed period (the "Transition Period"), certain transitional arrangements were in effect, such that the UK continued to be treated, in most respects, as if it were still a member of the EU, and generally remained

subject to EU law. On December 24, 2020, the EU and the UK reached an agreement in principle on the terms of certain agreements and declarations governing the ongoing relationship between the EU and the UK, including the EU-UK Trade and Cooperation Agreement (the "Agreement"), and on December 30, 2020, the Council of the European Union adopted a decision authorizing the signature of the Agreement and its provisional application for a limited period between January 1, 2021 to February 28, 2021, pending ratification of the Agreement by the European Parliament. The Transition Period ended on December 31, 2020. The Agreement is limited in its scope primarily to the trade of goods, transport, energy links and fishing, and uncertainties remain relating to certain aspects of the UK's future economic, trading and legal relationships with the EU and with other countries. The actual or potential consequences of Brexit, and the associated uncertainty, could adversely affect economic and market conditions in the UK, in the EU and its member states and elsewhere, and could contribute to instability in global financial markets.

Current Political Uncertainty. Some of the results of recent elections and referenda have been unexpected and resulted in material market changes and increases in market uncertainty. Given recent changes in administrations and applicable law following such recent elections and referenda, the future of current regulations, or the adopting of new regulations, is also uncertain. While these uncertainties may create investments opportunities for the Camshaft Funds, such uncertainties could alternatively have adverse impacts on the Camshaft Funds. Predicting the outcome of political processes and events is inherently difficult and uncertain. If the Firm fails to anticipate political events or predicts them incorrectly, it may cause the Camshaft Funds to miss investment opportunities or incur losses. There may be detrimental implications for the value of certain of the Camshaft Funds' investments in certain markets, its ability to enter into transactions or to value or realize its investments or otherwise to implement its investment program or the Firm's investment strategies.

Risk of Natural Disasters, Epidemics and Terrorist Attacks. Countries and regions in which the Camshaft Funds invests, where the Firm has offices or where the Camshaft Funds or the Firm otherwise do business are susceptible to natural disasters (e.g., fire, flood, earthquake, storm and hurricane) and epidemics, pandemics or other outbreaks of serious contagious diseases. The occurrence of a natural disaster or epidemic could adversely affect and severely disrupt the business operations, economies and financial markets of many countries (even beyond the site of the natural disaster or epidemic) and could adversely affect the Camshaft Funds' investment program or the Firm's ability to do business. In addition, terrorist attacks, or the fear of or the precautions taken in anticipation of such attacks, could, directly or indirectly, materially and adversely affect certain industries in which the Camshaft Funds invests or could affect the countries and regions in which the Camshaft Funds invests, where the Firm has offices or where the Camshaft Funds or the Firm otherwise do business. Other acts of war (e.g., war, invasion, acts of foreign enemies, hostilities and insurrection, regardless of whether war is declared) could also have a material adverse impact on the financial condition of industries or countries in which the Camshaft Funds invests.

COVID-19. The recent global outbreak of the novel coronavirus (COVID-19) is currently creating unprecedented economic and social uncertainty throughout the world. The ultimate impact of the COVID 19 outbreak is difficult to predict, but it is likely that COVID-19 will have a materially adverse impact on global, national and local economies in the immediate future and that such negative impact is likely to persist for some time. In particular, disruptions to commercial

activity across economies due to the imposition of quarantines, remote working policies, "social distancing" practices and travel restrictions, and/or failures to contain the outbreak despite these measures, could materially and adversely impact the Camshaft Funds' investments. Similar disruptions may occur in respect of the Firm's and the Camshaft Funds' service providers and counterparties (including providers of financing), which could also negatively impact the Camshaft Funds. While there are indications of various governmental responses to the potential negative effects of COVID-19, it is unclear how effective these responses will be and what other impacts such responses may have on the overall performance of markets or the Camshaft Funds.

ERISA Matters. Most pension and profit sharing plans, individual retirement accounts and other tax-advantaged retirement funds are subject to provisions of the Code, ERISA, or both, which may be relevant to a decision as to whether such an investor should invest in the Camshaft Funds. There may, for example, be issues as to whether such an investment is "prudent." Legal counsel should be consulted by such an investor before investing in the Camshaft Funds.

AN INVESTMENT IN CAMSHAFT AND THE CAMSHAFT FUNDS IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. INVESTMENTS INCLUDING THE RISK THAT THE ENTIRE INVESTMENT MAY BE LOST. NO GUARANTEE OR REPRESENTATION IS MADE THAT THE FUNDS' INVESTMENT OBJECTIVES WIL BE ACHIEVED.

Item 9. Disciplinary Information

This Brochure, as dated on page 1, reflects that there are no material legal or disciplinary events that have occurred with respect to Camshaft or management persons within the past 10 years.

<u>Item 10.</u> Other Financial Industry Activities and Affiliations

Camshaft is exempt from registration as a commodity pool operator ("CPO") and a commodity trading advisor ("CTA") with the Commodities Future Trading Commission ("CFTCF").

As described above in Items 5 and 6, Camshaft receives asset-based and performance-based compensation from the Funds. The amounts payable to Camshaft are based directly on the net asset value of the Funds. To the extent that valuation of assets is determined based upon information provided by Camshaft, because there is, for example, no public market price available, there may be a conflict of interest. Camshaft will value such assets in accordance with its valuation policies and procedures.

Camshaft, and other professionals of Camshaft (directly or through its affiliates) may make, and in some cases have made, a capital contribution to one or more of the Funds and, therefore, may be viewed as having an incentive to favor such Funds over other Clients, including pooled investment vehicles in which Camshaft or such persons are not invested (which may include other Camshaft Funds). Camshaft routinely waives the applicable management fees and performance fees for Camshaft-affiliated investors.

Certain of the above conflicts may also be generally addressed through adherence with Camshaft's compliance policies and procedures and its Code of Ethics.

<u>Item 11.</u> Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Camshaft has adopted a Code of Ethics pursuant to Rule 204A-1 under the Advisers Act (the "Code of Ethics"). All "access persons" (including employees, managers and officers) of Camshaft must comply with the Code of Ethics. The Code of Ethics states that Camshaft personnel must always place the interests of Camshaft's Clients first. The Code of Ethics sets forth standards of conduct expected of Camshaft's personnel, which reflect the fiduciary obligations of Camshaft and its personnel to its Clients, and requires Camshaft's personnel to comply with applicable federal securities laws. The Code of Ethics also requires each employee of Camshaft to report potential violations of the Code of Ethics promptly to Camshaft's Chief Compliance Officer (the "CCO"). Camshaft provides each employee with a copy of the Code of Ethics upon commencement of employment and any amendments as required., Employees are required to provide a written acknowledgement that they have received the Code of Ethics, including any amendments no less than annually.

Camshaft's CCO receives copies account statements for all of its access persons who maintain brokerage accounts no less than quarterly. In addition, each access person must submit to the CCO an annual acknowledgement and certification stating that the access person will comply with the Code of Ethics. The Code of Ethics further requires access persons to submit quarterly transaction reports (or duplicate brokerage statements) that detail the access person's securities transactions for each quarter, for the CCO to review. Finally, the Code of Ethics also contains restrictions on the use of insider information and material non-public information regarding Clients.

Camshaft keeps records of reports and other information that access persons are required to submit under the Code of Ethics. The CCO reports on issues that arise under the Code of Ethics to Camshaft's senior management at least annually. Clients and prospective Clients can obtain a copy of the Code of Ethics upon request by contacting Camshaft by telephone at (305) 619-1383 or by email to william@camshaftcapital.com.

As described above in Item 10, Camshaft and certain of its management personnel, employees or affiliates will have a financial interest in investments made by one or more of the Camshaft Funds through their participation in such Funds as a managing member, investment manager, administrative member, director or investor, as applicable. Camshaft and such persons may, therefore, be viewed as having an incentive to favor such Funds over other Clients, including Funds in which such persons are not invested.

In addition, Camshaft may solicit Clients to invest in Camshaft Funds for which Camshaft and certain of its management personnel, employees or affiliates serve as managing member, administrative member, investment manager or director, as applicable, and/or have a financial interest. Additionally, because certain of the Funds for which Camshaft acts as managing member, investment manager or director may invest in other Funds for which Camshaft acts in a similar capacity, Camshaft may be deemed to be recommending to such Funds that they buy securities in which Camshaft and such Camshaft-related persons have a financial interest and/or securities that

Camshaft and such Camshaft-related persons also buys for themselves (*i.e.*, interests in other Funds). To address these potential conflicts, Funds will not bear a double-layering of asset-based fees or performance-based fees in connection with their investment in other Camshaft Funds. Each Fund will, however, be responsible for its *pro rata* share of the expenses of the other Fund in which it invests.

Certain of the above conflicts are generally addressed through adherence to Camshaft's Compliance Manual and its Code of Ethics.

<u>Item 12.</u> Brokerage Practices

Camshaft is responsible for determining what securities will be purchased and sold for each Client and selecting the broker-dealer to execute transactions on behalf of Clients. Purchases and sales of securities for a Client must be made in accordance with the investment objectives, strategies and policies of such Client.

It is Camshaft's policy to seek best execution on behalf of its Clients – that is, Camshaft seeks to achieve the best overall qualitative execution for a Client in a particular circumstance. Best execution is not synonymous with the lowest brokerage commission. Camshaft may cause a Client to pay a brokerage commission in excess of that which another broker might have charged for executing the same transaction if it determines that the commission paid was reasonable in relation to the value of the services provided by the broker.

In seeking to achieve best execution, Camshaft considers the full range and quality of services a broker may provide, including ,but not limited to, the experience and skill of the broker's securities traders; the broker's accessibility to primary markets and quotation services; for NASDAQ securities, whether a broker makes a market in that security; a broker's past history of successful, prompt and reliable execution of client trades; the financial strength and stability of the broker; the broker's administrative efficiency; commission rates; the overall net economic result to a client (involving both price paid or received and any commissions and other costs paid); the security price and its volatility; the size of the transaction, including the ability to effect the transaction at all where a large block is involved; the broker's availability to execute possibly difficult transactions in the future; and the receipt of research services. In addition, for purposes of monitoring best execution, Camshaft generally performs comparisons between executed prices and volume-weighted average prices each trading day for each broker.

Camshaft generally does not utilize "soft dollars" or "pay-up" for research. "Soft dollars" refers to Camshaft's receipt of research or other products or services other than execution from brokers. Camshaft may receive, without cost and unrelated to the execution of securities transactions, a broad range of research services from broker-dealers, including information on the economy, industries, groups of securities and individual companies, statistical information, market data, accounting and legal interpretations, political developments, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis and other information which may affect the economy and/or security prices. Camshaft may also pay broker-dealers and their affiliates for certain specialized data and services, such as benchmark information, that are also unrelated to the execution of securities transactions.

In the event that Camshaft were to receive any "soft dollar" benefits, however, Camshaft expects that they would qualify under the safe harbor provided for under Section 28(e) of the Securities Exchange Act of 1934, as amended. If Camshaft were to use Client brokerage commissions (or markups or markdowns) to obtain "soft dollar" benefits, such as research or other products or services, it would receive a benefit because it does not have to produce or pay for the research, products or services. Consequently, Camshaft would have an incentive to select or recommend a broker-dealer based on its interest in receiving "soft dollar" benefits, rather than on its Clients' interest in receiving most favorable execution.

Camshaft does not consider, in selecting or recommending broker-dealers, any Client referrals it may receive from a broker-dealer or third party. Camshaft does not recommend, request or require that a Client direct the execution of transactions through a specified broker-dealer, nor does it have any arrangement in which it permits a Client to direct transactions to a specific broker-dealer.

Despite the highly customized nature of its advice, Camshaft may on occasion purchase or sell the same securities for more than one Client account at the same time or same day, and in so doing will allocate investment opportunities and trades fairly. "Fair" treatment does not mean identical treatment of all Clients. Rather, it means that Camshaft does not discriminate on an impermissible basis against one Client or group of Clients. When Camshaft transacts securities for more than one Client account, the investment opportunities and trades must be allocated in a manner consistent with Camshaft's fiduciary duties and in accordance with the Firm's investment allocation procedures.

Camshaft may combine or "bunch" orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Camshaft's Clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Camshaft's determination with respect to allocations will be based on what is appropriate under the particular circumstances, and the allocation may be made based upon relevant factors, which may include: (i) cash availability and need; (ii) suitability; (iii) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (iv) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (v) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (vi) with respect to sale allocations, allocations may be given to accounts low in cash; (vii) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, Camshaft may exclude the account(s) from the allocation and the transactions may be executed on a pro rata basis among the remaining accounts; or (viii) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis. For equity investments, generally, each Client will receive the same average price as other participants in the bunched transaction.

Clients may pay more when Camshaft does not aggregate trades, as seeking to place separate, non-simultaneous transactions in the same security for multiple Clients may negatively affect market price, transaction commissions and/or trade execution. A Client's non-participation in bunched trades may result in lost opportunities to execute securities transactions for such Client's account that other Clients participating in bunched trades were able to execute.

Item 13. Review of Accounts

Camshaft's Managing Director and one or more members of Camshaft's investment team review positions in Camshaft Fund accounts on an ongoing basis to monitor the Camshaft Funds' compliance with the investment objectives and guidelines described in the Funds' offering documents. The accounts of Camshaft Fund investors are valued monthly by the administrator, who forwards an account statement to Fund investors on a monthly basis. Investors in the Funds may receive other periodic and annual written reports as set forth in the applicable Fund's offering documents. Camshaft also conducts meetings with Clients and investors in the Funds upon request. Any Managed Account Clients will receive the written reporting provided for in the Managed Account Agreement governing such accounts, if applicable.

<u>Item 14.</u> Client Referrals and Other Compensation

Camshaft does not receive an economic benefit from any person who is not a Client for providing investment advice or other advisory services.

Camshaft may, from time to time, enter into arrangements with third parties for marketing and solicitation activities. If Camshaft pays a cash fee to anyone for soliciting separate account Clients on its behalf, Camshaft will comply with the requirements of the SEC's Marketing Rule (Rule 206(4)-1 under the Advisers Act) to the extent applicable. This rule requires, among other things, a written agreement between the investment adviser and the person soliciting Clients on its behalf, and that the soliciting person provide a disclosure document to the potential Client at the time that the solicitation is made. Camshaft may pay a portion or percentage of the compensation that it receives from Clients for investment advisory services to a third-party, but this will not result in any Client being charged fees at a rate in excess of the rate of fees that Camshaft customarily charges for similar services to comparable accounts, nor will Camshaft charge any Client any other amount for the purpose of offsetting the cost of obtaining an account through a third-party referral.

Item 15. Custody

Generally, Camshaft does not have custody of Client assets other than the assets of the Camshaft Funds. Camshaft acts as managing member or investment manager of the Camshaft Funds and is authorized under the Funds' governing documents to deduct fees from each Fund investor's account. Such powers cause Camshaft to be deemed to have custody of the Camshaft Funds' assets for purposes of the SEC's custody rule. Accordingly, to meet the requirements of the custody rule, the Camshaft Funds are subject to an annual audit in accordance with generally accepted accounting principles conducted by an independent public accountant registered with the Public Company Accounting Oversight Board and the audited financial statements are distributed to investors in the Funds within 90 days of the Funds' fiscal year end (in accordance with rules required of registered commodity pool operators).

In the event that Camshaft has any Managed Account Clients in the future, it generally expects that it will not have custody over the assets of such accounts. Managed Account Clients will receive quarterly account statements from the qualified custodian for their accounts and should carefully review those statements. Camshaft generally will not provide statements to Managed Account Clients, except if specifically requested or in certain limited circumstances. Any Managed Account Clients who receive account statements from Camshaft should compare those statements with the account statements received from the qualified custodian.

Item 16. Investment Discretion

Camshaft has discretionary authority over the investment activities of its Clients. In the case of the Funds, this discretionary authority is generally granted to Camshaft pursuant to the organizational documents of each Fund and/or pursuant to Camshaft's investment advisory agreement with such Fund. For any Managed Account Clients, discretionary authority is granted to Camshaft pursuant to a Managed Account Agreement, which may impose restrictions on this discretion and specify the types of investments permitted. Camshaft is obligated to exercise its investment discretion in a manner consistent with the stated investment objectives, policies, guidelines and restrictions/limitations for a particular Client account.

Item 17. Voting Client Securities

Camshaft has the authority to vote all proxy proposals and corporate actions (collectively, "proxies") on behalf of the Funds it advises, and may be delegated the authority to vote proxies held in any Managed Accounts that it may advise in the future. However, depending on the securities in which its Clients are invested, Camshaft may not frequently vote proxies. To the extent that Camshaft invests in a security for a Client for which a proxy vote may arise and Camshaft receives timely notice of such proxy from the Client's prime broker under the terms of the applicable prime broker agreement, Camshaft is guided by general fiduciary principles and will seek to treat proxies in a manner intended to enhance the overall economic value of the applicable Client's assets. Camshaft may (and often does) refrain from voting a Client's proxy under certain circumstances, including, but not limited to, when (i) the economic effect on shareholder's interests or the value of the portfolio holding is indeterminable or insignificant; (ii) voting the proxy would unduly impair the investment management process; or (iii) the cost of voting the proxies outweighs the benefits or is otherwise impractical. In addition, Camshaft may refrain from voting a proxy on behalf of its Clients' accounts due to (1) de minimis holdings; (2) de minimis impact on the portfolio; (3) items relating to non-U.S. issuers (such as those described below); (4) contractual arrangements with Clients; and/or (5) their authorized delegates or the failure of a proxy to provide sufficient information to allow for informed decision making. For example, Camshaft may refrain from voting a proxy of a non-U.S. issuer due to logistical considerations that may have a detrimental effect on Camshaft's ability to vote the proxy. These issues may include, but are not limited to: (a) proxy statements and ballots being written in a foreign language; (b) untimely notice of a shareholder meeting; (c) requirements to vote proxies in person; (d) restrictions on non-U.S. person's ability to exercise votes; (e) restrictions on the sale of securities for a period of time in proximity to the shareholder meeting (e.g., share blocking); or (f) requirements to provide local agents with power of attorney to facilitate the voting instructions. Any actual or apparent conflict of interest between the interests of Camshaft and its Clients is

resolved in a manner that is consistent with the best interests of Clients and in a manner not affected by such actual or apparent conflict of interest.

Camshaft currently does not permit Clients to direct its vote in a particular solicitation.

Item 18. Financial Information

Currently, there is no financial condition that is reasonably likely to impair our ability to meet contractual commitments to Clients.



Bepartment of State

I certify the attached is a true and correct copy of the annual report(s)/uniform business report(s) for the year(s) 2024 for CAMSHAFT CAPITAL ADVISORS, LLC, a limited liability company, organized under the laws of the State of Florida, as shown by the records of this office.

The document number of this company is L20000224206.



CR2E022 (01-11)

Cord Byrd 7
Secretary of State

Case 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 56 of 410

2024 FLORIDA LIMITED LIABILITY COMPANY ANNUAL REPORT

DOCUMENT# L20000224206

Entity Name: CAMSHAFT CAPITAL ADVISORS, LLC

Current Principal Place of Business:

1200 BRICKELL AVE, SUITE 310 MIAMI, FL 33131

Current Mailing Address:

PLANTATION, FL 33324 US

16850 COLLINS AVE#112408 SUNNY ISLES BEACH, FL 33160 US

FEI Number: 85-2638234

Name and Address of Current Registered Agent:

C T CORPORATION SYSTEM 1200 SOUTH PINE ISLAND ROAD

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE:

Electronic Signature of Registered Agent

Date

FILED Feb 09, 2024

Secretary of State

9999846985CC

Certificate of Status Desired: No

Authorized Person(s) Detail:

Title

MGR

Name

MORTON, WILLIAM

Address

16850 COLLINS AVE #112408

City-State-Zip:

SUNNY ISLES BEACH FL 33160

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am a managing member or manager of the limited liability company or the receiver or trustee empowered to execute this report as required by Chapter 605, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: WILLIAM MORTON

MANAGER

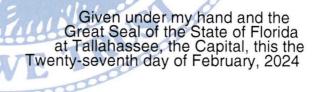
02/09/2024



Department of State

I certify the attached is a true and correct copy of the annual report(s)/uniform business report(s) for the year(s) 2024 for CAMSHAFT CAPITAL MANAGEMENT, LLC, a limited liability company, organized under the laws of the State of Florida, as shown by the records of this office.

The document number of this company is L20000224176.





CR2E022 (01-11)

Cord Byrd
Secretary of State

Case 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 59 of 410

2024 FLORIDA LIMITED LIABILITY COMPANY ANNUAL REPORT

DOCUMENT# L20000224176

Entity Name: CAMSHAFT CAPITAL MANAGEMENT, LLC

Current Principal Place of Business:

1200 BRICKELL AVE SUITE 310 MIAMI, FL 33131 FILED Feb 09, 2024 Secretary of State 6881969539CC

Certificate of Status Desired: No

Current Mailing Address:

16850 COLLINS AVE #112408 SUNNY ISLES BEACH. FL 33160 US

FEI Number: 85-2568572

Name and Address of Current Registered Agent:

C T CORPORATION SYSTEM 1200 SOUTH PINE ISLAND ROAD PLANTATION, FL 33324 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE:

Electronic Signature of Registered Agent

Date

Authorized Person(s) Detail:

Title

MGR

Name

MORTON, WILLIAM

Address

16850 COLLINS AVE #112408

City-State-Zip:

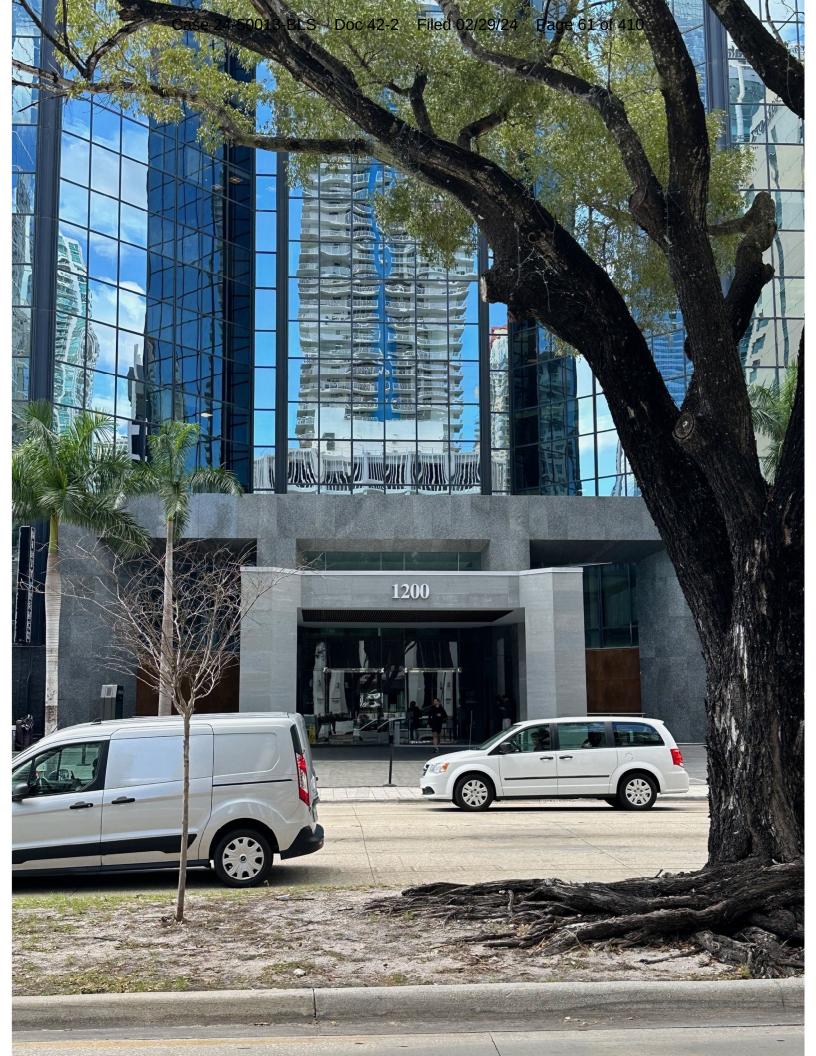
SUNNY ISLES BEACH FL 33160

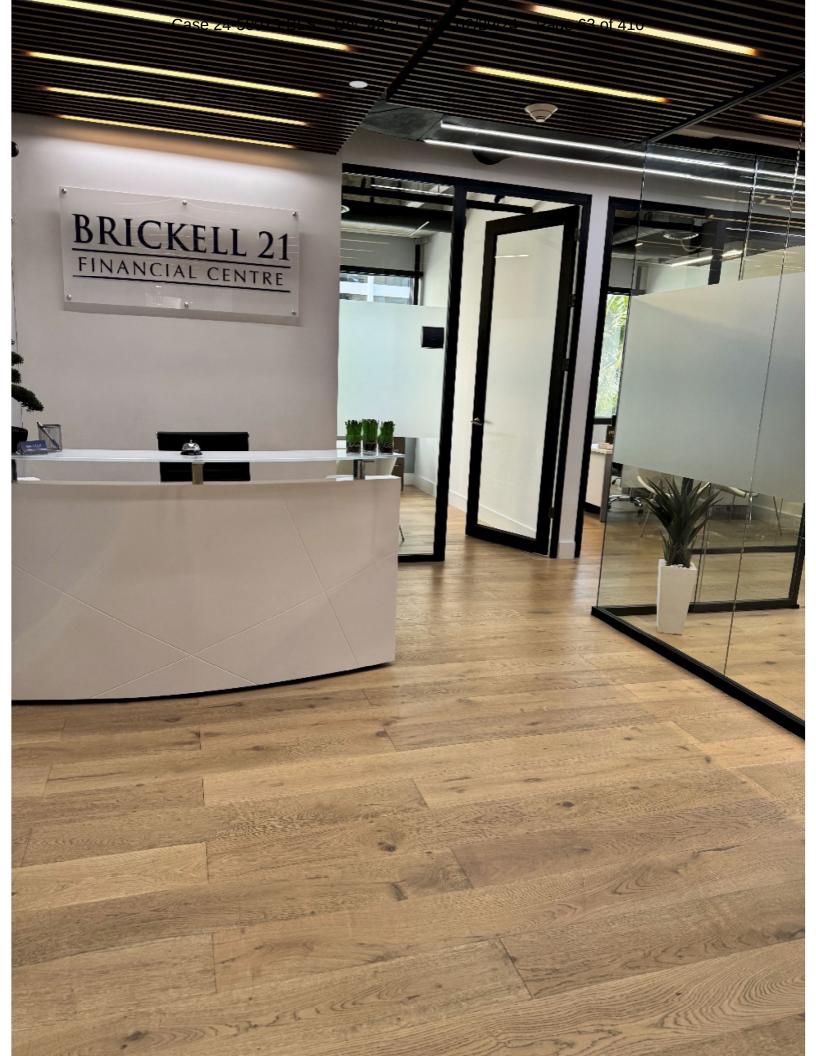
I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am a managing member or manager of the limited liability company or the receiver or trustee empowered to execute this report as required by Chapter 605, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: WILLIAM MORTON

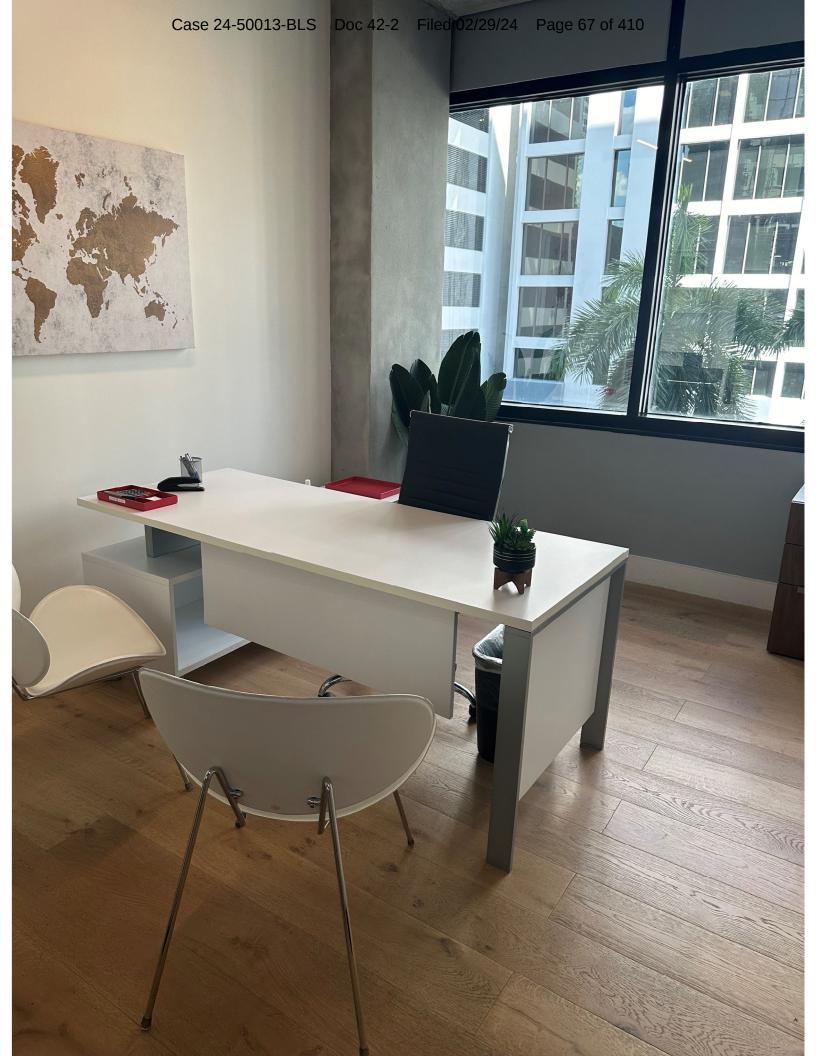
MANAGER

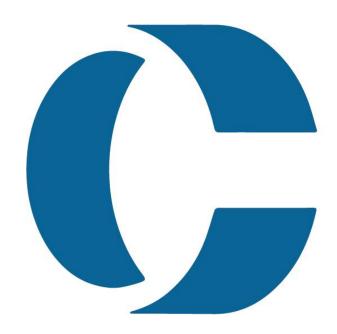
02/09/2024











CAMSHAFTCAPITAL

CAMSHAFT CAPITAL ADVISORS, LLC 18555 COLLINS AVE SUITE #5405 SUNNY ISLES BEACH, FL 33160 TELEPHONE: 305-619-1383

WWW.CAMSHAFTCAPITAL.COM

April 2023

This brochure provides information about the qualifications and business practices of Camshaft Capital Advisors. LLC ("Camshaft" or the "Firm"). If you have any questions about the contents of this brochure, please contact us at (305) 619-1383 and/or email: william@camshaftcapital.com The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Camshaft also is available on the SEC's website at www.adviserinfo.sec.gov.

Camshaft is registered as an investment adviser with the SEC. Registration with the SEC does not imply a certain level of skill or training.

Item 2. Material Changes

This is the initial Brochure filing for Camshaft Capital Advisors, LLC. Going forward this Item will be updated with each annual amendment.

The information set forth in this Brochure is qualified in its entirety by reference to a Client's Governing Documents (as defined herein) and/or offering documents. In the event of a conflict between the information set forth in this Brochure and the information set forth in a Client's Governing Documents and/or offering documents, the Client's Governing Documents and/or offering documents shall take precedence.

<u>Item 3.</u> Table of Contents

Topic:	<u>Page</u>
Item 2. Material Changes	2
Item 3. Table of Contents	3
Item 4. Advisory Business	4
Item 5. Fees and Compensation	4
Item 6. Performance-Based Fees and Side-By-Side Management	6
Item 7. Types of Clients	7
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss	8
Item 9. Disciplinary Information	38
Item 10. Other Financial Industry Activities and Affiliations	38
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	39
Item 12. Brokerage Practices	40
Item 13. Review of Accounts	42
Item 14. Client Referrals and Other Compensation	42
<u>Item 15.</u> Custody	42
Item 16. Investment Discretion	43
Item 17. Voting Client Securities	43
Item 18. Financial Information	44

Item 4. Advisory Business

For the purposes of this Brochure, the "Adviser", "Camshaft: or the "Investment Manager" means Camshaft Capital Advisors, LLC. The Investment Manager, owned by William Morton, is a limited liability company organized under the laws of the State of Florida and has been providing investment advisory services since 2020. Camshaft Capital Management, LLC is the General Partner of Camshaft Capital Fund LP. Mr. Morton acts as the managing member of Camshaft Capital Management, LLC.

Currently, Camshaft manages and provides discretionary investment advisory services to the Camshaft Capital Fund, LP (as defined below in this Item 4 under "Funds"). In addition, Camshaft may serve as a discretionary investment adviser to invest the assets of a privately offered pooled investment vehicle managed by an unaffiliated third-party pursuant to a trading advisory agreement (the "Third-Party Fund" and, together with the Camshaft Funds, the "Funds"). Camshaft may also provide investment advisory services to entities or pooled investment vehicles on a managed account basis (each such arrangement, a "Managed Account," and the entity(ies) funding a Managed Account, a "Managed Account Client"). For the purposes of this brochure, a "Client" refers to a Fund (but not the investors in a Fund) and/or a Managed Account Client, as the context requires.

As of December 31, 2022, Camshaft had \$595,845,395 in regulatory assets under management. Camshaft does not currently manage any Client assets on a non-discretionary basis. Camshaft does not participate in any wrap fee programs.

Managed Account Arrangements

As of the date of this brochure, Camshaft has no Managed Account arrangements. However, in the event that Camshaft were to enter into a Managed Account arrangement in the future, then Camshaft would develop investment guidelines based upon the Managed Account Client's specific investment objectives. Managed Account advisory services would be governed by a written agreement ("Managed Account Agreement") between Camshaft and the Managed Account Client. Camshaft would manage any such Managed Accounts under a broad range of potential mandates. Managed Account Clients would be permitted to amend their investment guidelines as their needs change or impose restrictions or limitations on investing in certain securities or types of securities.

<u>Item 5.</u> Fees and Compensation

A management fee is paid monthly in advance to the General Partner. The management fee is equal to three percent (3%) per annum of the beginning capital account balance of each Limited Partner for such month. The General Partner may, in its sole discretion, enter into arrangements with Limited Partners under which the management fee is reduced, waived or calculated differently with respect to such Limited Partners, including, without limitation, Limited Partners that are members, affiliates or employees of the General Partner, members of the immediate families of such persons and trusts or other entities for their benefit, or Limited Partners that make substantial investment or otherwise are determined by the General Partner in its sole discretion to represent a strategic relationship.

To the extent that there is a shared expense among any of the Camshaft Funds, on the one hand, and Camshaft, on the other hand, Camshaft will allocate the expense among such Camshaft Fund(s) and itself in a manner that it determines is fair and equitable under the circumstances to all parties.

See Item 6 below for more information concerning performance-based fees.

Managed Accounts

Camshaft presently does not have, and thus receives no fees from, any Managed Account Clients. In the event that Camshaft were to advise a Managed Account in the future, it may be paid a management fee and/or a performance fee by such Managed Account in accordance with the terms of the applicable Managed Account Agreement.

Additional Expenses

In addition to the management fees and the performance-based fees described above, the Camshaft Funds (and, indirectly, the investors therein) will pay such additional expenses as are disclosed in the Camshaft Funds' applicable offering documents. The expenses to be paid by each Camshaft Fund vary and may include, among others, the following: transaction costs and investment-related expenses incurred in connection with the Funds' trading activities, including securities and futures brokerage, clearing, margin interest (if any), custodial expenses, and any non-U.S. mutual fund expenses; all U.S. and non-U.S. legal, regulatory and compliance fees and expenses (including, but not limited to, blue sky compliance, compliance with the Alternative Investment Fund Managers Directive, MIFID, the EEA and FATCA), accounting, auditing, tax preparation, expenses relating to the offering and sale of the Shares, and registration fees and expenses as well as related fees and expenses (including, but not limited to, legal fees or other fees and expenses related to: the preparation and filing of Form PF, CFTC and NFA Form CPO-PQR, NFA Form CTA-PR and NFA Form PR, the applicable portion of Camshaft's fees and expenses incurred in connection with preparing and filing Form ADV that are allocable to a Camshaft Fund, and any other SEC, CFTC and/or NFA filings and registrations or other filings that are made with respect to the Funds or assets of the Funds; related requirements under the Dodd-Frank Act, and U.S. Department of the Treasury and U.S. Department of Commerce regulations; and registrations and related requirements of foreign regulators); expenses associated with the continued offering of shares, which include, but are not limited to, marketing, travel and other solicitation expenses; operational expenses such as the administrator's charges, fees and expenses, trade support systems, the directors' charges and expenses, photocopying, facsimile, postage, and telephone expenses; research and research-related costs, consulting fees, fees and charges (such as data feeds, news, Fund reports, brokerage reports, software licenses, ongoing development, implementation, updating and support of software licenses, bank service fees, third-party trading and/or portfoliorelated services and support, including software costs such as order management, risk management and similar systems, software costs relating to order management, and Bloomberg terminals and services); legal fees and due diligence expenses, related to the analysis purchase or sale of investments, whether or not the investment is consummated; Camshaft Fund related insurance costs (including a portion of D&O and E&O insurance for Camshaft, if applicable), extraordinary expenses (such as, litigation costs and indemnification obligations), if any; the Performance Fee and the Management Fee (defined below) paid to Camshaft; Cayman Islands government fees and director registration fees and other equivalent expenses; and interest in connection with investment-related borrowings. In addition, each Fund will bear its *pro rata* share of all expenses related to any pooled investment vehicle(s) (including, but not limited to, the Master Fund) in which such Fund invests; such charges may include management fees, performance fees, ordinary operating expenses (such as administration, legal, accounting and other operational costs) and extraordinary expenses (such as litigation costs and indemnification obligations), provided that such Fund will not bear a double-layering of asset-based fees or performance-based compensation in connection with its investment in another Camshaft Fund. Therefore, it is possible that a Fund may bear a portion of any such expense even though it may not directly benefit therefrom. Funds also pay the fees and expenses of their prime brokers, futures commission merchants and administrators.

As described further in the respective offering documents for the Camshaft Funds, generally, Camshaft will bear certain overhead expenses of operating the Camshaft Funds which otherwise would be allocable to the Camshaft Funds.

Although Camshaft presently does not have any Managed Account Clients, any future Managed Account Clients of Camshaft may be expected to pay additional expenses similar to those described above, to the extent applicable, subject to the specific terms of the applicable Managed Account Agreement.

Please see Item 12 below for a discussion of Camshaft's brokerage practices.

Additional Information About Fees and Expenses

The specific manner in which Camshaft charges management fees, performance-based fees, and expenses is established in each Client's written agreement with Camshaft. Camshaft investors may consult the applicable Fund's offering memorandum and governing documents for a description of these charges. Generally, pursuant to the applicable governing documents for each Fund, management fees and performance-based fees are deducted directly from each investor's account with the relevant Fund. Management fees, if any, are generally paid monthly in arrears. Performance fees, if any, are paid at the end of the fiscal year to which the fee pertains or upon a redemption from a Fund or a termination of a Managed Account.

The foregoing fees and expenses may be negotiable, reduced, rebated or waived in certain circumstances, including with respect to Clients or Fund investors that are employees of Camshaft and other persons that are affiliated with Camshaft or its affiliates.

<u>Item 6.</u> Performance-Based Fees and Side-By-Side Management

Currently, Camshaft's Clients are generally charged both a management fee and a performance fee. The performance fees are structured to comply with Section 205 of the Investment Advisers Act of 1940, as amended (the "Advisers Act").

Performance-based compensation arrangements may create an incentive for Camshaft to make investments that are riskier or more speculative than would be the case in the absence of a financial incentive based on the performance of a Client's account. Performance-based compensation arrangements may also create an incentive for Camshaft to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. When Camshaft

transacts securities for more than one Client account, the investment opportunities and trades must be allocated in a manner consistent with Camshaft's fiduciary duties. Camshaft will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible portfolios, particularly if different portfolios have materially different amounts of capital under management by Camshaft or different amounts of investable cash available or different investment guidelines, financing arrangements and/or dealer relationships. As a result, although Camshaft manages portfolios with similar or identical investment objectives, or may manage accounts with different objectives that trade in the same securities, the portfolio decisions relating to these accounts, and the performance resulting from such decisions, may differ from portfolio to portfolio.

Camshaft presently does not have, and thus receives no fees from, any Managed Account Clients. If in the future Camshaft were to advise a Managed Account alongside the Camshaft Funds, it is possible that Camshaft may take different positions in the same or related securities for such Clients, such as selling certain securities short for a Camshaft Fund while a Managed Account simultaneously holds the same or related securities long. In such case, Camshaft will adopt and execute side-by-side management procedures in an effort to mitigate these potential conflicts.

Item 7. Types of Clients

Camshaft currently provides investment advice only to the Camshaft Funds. However, Camshaft may advise additional or different types of entities in the future.

Each Camshaft Fund is not registered under the Investment Company Act of 1940, as amended (the "1940 Act"), in reliance on the exemption provided by Section 3(c)(7) of the 1940 Act. In addition, each Camshaft Fund's interests or shares (as applicable) are not registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state "blue-sky" laws; rather, they are privately offered only to qualified purchasers and accredited investors pursuant to an exemption from registration under Regulation D under the Securities Act. Each investor in the Fund must be (1) an "accredited investor" as defined in Regulation D under the Securities Act, (2) a "qualified purchaser" as defined in the 1940 Act and the regulations under the 1940 Act, and (3) a "United States person" as defined under the Internal Revenue Code of 1986, as amended (the "Code"). Each investor in the Fund that is a "United States person" (as defined in the Code) must be (1) an "accredited investor," as defined in Regulation D under the Securities Act, (2) a "qualified purchaser" or "knowledgeable employee" as defined in the 1940 Act and the rules under the 1940 Act (and thus a "qualified client" within the meaning of the Advisers Act), and (3) exempt from U.S. federal income tax under Section 501 of the Code or otherwise. Each other investor in the Fund must not be a "U.S. person," as defined in Regulation S under the Securities Act, or a "United States person" as defined in the Code, and must be a "Non-United States person" as defined in Regulation 4.7 under the U.S. Commodity Exchange Act, as amended. The minimum investment in each Fund, subject to waiver, is \$2,500,000.

If a Client or potential Client would like to open a Managed Account, the conditions for starting and maintaining a Managed Account will vary with the circumstances of each Managed Account and be negotiated and set forth on an individual basis in the relevant Managed Account Agreement.

<u>Item 8.</u> Methods of Analysis, Investment Strategies and Risk of Loss

The methods of analysis and investment strategies used by Camshaft in managing Camshaft Fund assets are summarized below. The methods of analysis and investment strategies that Camshaft would use to manage assets of any Managed Account Clients would vary depending on the needs of each Managed Account Client, but are expected to be comparable to those summarized below for the Camshaft Funds. In addition, the material risks involved with each significant investment strategy and method of analysis is explained below.

Methods of Analysis and Investment Strategies

The methods of analysis and investment strategies used by Camshaft in managing assets are summarized below. Investors and prospective investors in a Camshaft Fund should review the offering memorandum Fund in which they are invested (or are seeking to invest) for additional information about the strategies and risks associated with an investment in such Fund. For information concerning the sub-strategies identified below, please refer to the confidential offering memorandum of the applicable Camshaft Fund.

- Leverage and Short Selling. The Fund may from time to time engage in short selling. Selling securities short runs the risk of losing an amount greater than the amount invested. Short selling is subject to theoretically unlimited risk of loss because there is no limit on how much the price of the stock may appreciate before the short position is closed out. A short sale may result in a sudden and substantial loss if, for example, an acquisition proposal is made for the subject company at a substantial premium over market price. Furthermore, the Fund at times will trade securities on a leveraged basis, i.e., where the security can be purchased by putting up only a portion of the instrument's face value and borrowing the remainder (margin). As a result, a relatively small price movement in a security may result in immediate and substantial losses to the Fund. In addition, trading on margin will result in interest charges to the Fund which may be substantial. Leveraged investments, including any purchase or sale of securities on margin, may result in losses in excess of the amount invested.
- Trading in Distressed Securities and Highly Leveraged Companies. The strategies of the General Partner and the Investment Advisers may entail investments in distressed securities and highly leveraged companies. An investment in these types of securities and companies, by the nature of their leveraged capital structure, will involve a high degree of financial risk. Such risks include, but are not limited to, the following: (a) difficulty in identifying attractive investment opportunities; (b) subordination to substantial amounts of senior indebtedness, all or a signification portion of which may be secured; (c) the possibility of substantial changes in rights and covenants which could result in less protection for the Fund with respect to securities purchased in proceedings under Chapter 11 of the US Bankruptcy Code; and (d) the lack of regulation of the OTC Market (in which distressed securities often are traded) by any exchange, and the lack of any established market-making, margin or other requirements that would help to insure a viable trading market exists for a particular security.
- *Illiquidity of Markets*. At various times, the markets for securities interests purchased or sold by the Fund may be "thing" or illiquid, making purchase or sale of securities at desired prices or in desired quantities difficult or impossible. For example, securities exchanges and the

SEC have authority to suspend trading in a particular security without notice. In addition, the Fund may invest in private placements of securities that are not registered under the Act and may have little to no trading market.

- Investing in Illiquid Securities. The Fund may from time to time invest in unregistered securities of public companies and at times in the securities of private companies, including without limitation, limited partnerships, the securities of which may be, and often are, illiquid. While no more that 10% of the Fund's portfolio may be invested in illiquid securities, the Fund may be forced to hold a larger cash reserve than normal as a precaution in the event of a large number of withdrawal requests by Limited Partners within a short period of time.
- Other Investment Strategies. Camshaft may also pursue other investment strategies as it deems appropriate, including, but not limited to: long/short equity investing, investing and trading in futures, foreign currency instruments, options, total-return swaps, stock indices and exchange-traded funds or other derivative financial instruments.

Material Risks

An investment in the Camshaft Funds involves substantial risks, including, but not limited to, those described below. The following information is not intended to be an exhaustive listing of all potential risks associated with an investment in the Camshaft Funds. There can be no assurance that the Camshaft Funds will realize their investment objective or return any capital. Shares/interests are a potentially suitable investment only for sophisticated investors for whom an investment in the Camshaft Funds does not represent a complete investment program and who, in consultation with their own investment and tax advisors, fully understand and are capable of assuming the risks of an investment in the shares/interests.

Note that, while this section may refer to risks of trading by the Camshaft Funds, all of the Camshaft Funds' trading activities occur at the level of the Master Fund. In addition, references in this section to possible actions undertaken by the Camshaft Funds and the risks related to the operation of the Camshaft Funds should be read to include references to possible actions undertaken by the Master Fund and the risks related to the operation of the Master Fund.

Prospective investors should give careful consideration to the following factors in evaluating the merits and suitability of an investment in the Camshaft Funds:

Risks Relating to the Camshaft Funds and the Offering of Shares/Interests

Limitations on Past Performance. Camshaft Funds' past performance is by no means necessarily representative of how the Camshaft Funds will perform. While certain individuals of the Firm have substantial experience investing in certain types of opportunities that the Camshaft Funds pursues, there can be no assurance that the Camshaft Funds or the Master Fund will generate performance results equivalent to the past results generated by the Firm or that the Camshaft Funds will avoid losses. Market conditions and trading approaches are continually changing, and the fact that certain individuals of the Firm may have achieved certain positive performance in the past may be largely irrelevant to the Camshaft Funds' prospects for profitability. The Camshaft Funds'

past performance has been, and is expected to continue to be, highly volatile. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. NO ASSURANCE CAN BE MADE THAT PROFITS WILL BE ACHIEVED OR THAT SUBSTANTIAL LOSSES WILL NOT BE INCURRED.

Potential Loss of Investment. An investment in the Camshaft Funds involves a high degree of risk. There can be no assurance that the Camshaft Funds' investment objective will be achieved. There is a risk that an investment in the Camshaft Funds will be lost entirely or in part. The Camshaft Funds is not a complete investment program and should represent only a portion of an investor's portfolio. Investors must be prepared to lose their entire investment in the Camshaft Funds.

No Market for Shares/Interests. Although amounts may be redeemed/withdrawn from the Camshaft Funds on a periodic basis according to the terms set forth in the applicable agreement, shares/interests may not be assigned, pledged or otherwise transferred without the prior written consent of the Firm. There is no market for the shares/interests, and none is expected to develop. Shares/interests will not be registered under the securities laws of any jurisdiction and will be subject to strict restrictions on resale and transferability. Therefore, investors must be prepared to bear the risk of their investment in the Camshaft Funds for a substantial period of time.

Reliance on Key Person. The Camshaft Funds is substantially dependent on the services of Camshaft. In the event of the death, disability, departure or insolvency of Mr. Morton, the business of the Camshaft Funds may be adversely affected. Mr. Morton will devote such time and effort as he deems necessary for the management and administration of the Camshaft Funds' business. However, Mr. Morton may engage in various other business activities in addition to managing the Camshaft Funds, and consequently Mr. Morton may not devote his complete time to the business of the Camshaft Funds.

Effect of Substantial Redemptions/Withdrawals. A number of events could result in substantial redemptions/withdrawals from the Camshaft Funds. Actions taken to meet such redemptions/withdrawals requests could result in a decrease in the prices of equities (listed and unlisted, private and public, common and preferred), fixed income securities, sovereign debt, futures (including commodity futures), over-the-counter physical commodities, foreign exchange forward and spot contracts, digital assets and digital asset derivatives, American Depositary Receipts ("ADRs"), foreign exchange currencies, and other derivative contracts and transactions such as swaps (including interest rate swaps, credit default swaps, index credit default swaps, equity total return swaps, volatility or variance swaps, correlation swaps and commodity swaps), options, warrants, convertible securities, and cash or cash equivalents (such as treasury notes and bills, certificates of deposit, commercial paper, broker balances, bankers acceptances or repurchase agreements) (collectively, "Financial Instruments") held by the Camshaft Funds and an increase in expenses (e.g., transaction costs and the costs of terminating agreements). The overall value of the Camshaft Funds may also decrease because the liquidation value of certain assets may be materially less than their mark-to-market value. The Camshaft Funds may be forced to sell its more liquid positions, may need to maintain greater amounts of cash and cash-equivalent investments than it would otherwise maintain and may also be restricted in its ability to obtain financing or derivatives counterparty relationships needed for certain investment and trading strategies, any of which could affect the Camshaft Funds adversely.

Performance-Based Compensation. In addition to sharing in profits on the basis of its capital, the Firm will be entitled to receive from each investor's account (paid by the Master Fund) a performance fee based on a percentage of the new net income, if any, in respect of such investor's account during a performance period. The performance fee can be characterized as creating an incentive to the Firm to make speculative investments and thus a potential conflict with the investments of the investors. Since the performance fee will be based upon portfolio gains, both realized and unrealized (net of realized and unrealized losses), it is possible that the Firm may receive a performance fee based upon unrealized appreciation in particular positions which is not in fact achieved upon eventual disposition of such positions. The fact that the performance fee is based on capital appreciation of the Camshaft Funds may create an incentive for the Firm to make investments that are more speculative than would be the case in the absence of such performance-based advisory compensation.

Share Value Calculation. The value of the dollar class shares will be calculated in U.S. Dollars.

Limited Regulatory Oversight. The Camshaft Funds is not registered as an "investment company" under the U.S. Investment Company Act of 1940, as amended (the "Company Act") or any comparable regulatory requirements and does not intend to do so. Accordingly, the provisions of such regulations, which among other things generally require investment companies to have a majority of disinterested directors, require securities held in custody at all times to be maintained in segregated accounts and regulate the relationship between the investment company and its asset manager, are not applicable to an investment in the Camshaft Funds. Notwithstanding the foregoing, the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") imposes burdensome reporting and recordkeeping requirements on the Camshaft Funds. The Camshaft Funds intends to trade with dealers who will be required by regulation or will undertake to fulfill the Camshaft Funds' Dodd-Frank mandated reporting requirements. The costs associated with such compliance may result in certain investment strategies in which the Camshaft Funds engages, or may have otherwise engaged, becoming non-viable or non-economic to implement.

Investors Do Not Participate in Management. Except as outlined in the applicable offering documents investors, in their capacity as such, do not have the right to participate in the management of the Camshaft Funds or in the conduct of its business, whether by voting or otherwise. In general, the Firm is solely responsible for managing the Camshaft Funds and for the investment, sale and reinvestment of the Camshaft Funds' assets.

Risk of Litigation. In the ordinary course of business, the Camshaft Funds may be subject to litigation from time to time. In addition, as a result of certain investments, the Camshaft Funds could be named as a defendant in a lawsuit or regulatory action. The outcome of such proceedings, which may materially adversely affect the value of the Camshaft Funds, may be impossible to anticipate, and such proceedings may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the Firm's time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Service Provider Risks. The Camshaft Funds and the Firm are also reliant upon the proper performance of duties and obligations of their respective service providers. The Camshaft Funds may be adversely impacted in a material manner if one or more of the service providers to the Camshaft Funds or the Firm fail to adequately perform their functions. In addition, key activities undertaken in connection with the Firm's and the Camshaft Funds' operations may be concentrated in one or more service providers, which may expose the Camshaft Funds to risks if one or more of such service providers does not provide, or becomes incapable of providing services, in the normal course of business.

Institutional and Counterparty Risk. Institutions, such as brokerage firms, banks and broker dealers, generally have custody of the Camshaft Funds' portfolio assets and may hold such assets in "street name." The Camshaft Funds is subject to the risk that these firms and other brokers, counterparties or clearinghouses with which the Camshaft Funds deals may default on their obligations to the Camshaft Funds. Any default by any of such parties could result in material losses to the Camshaft Funds. Bankruptcy or fraud at one of these institutions could also impair the operational capabilities or the capital position of the Camshaft Funds. In addition, securities and other assets deposited with custodians or brokers may not be clearly identified as being assets of the Camshaft Funds, causing the Camshaft Funds to be exposed to a credit risk with regard to such parties. The Camshaft Funds generally will only be an unsecured creditor of its trading counterparties in the event of bankruptcy or administration of such counterparties. In some jurisdictions, the Camshaft Funds may also only be an unsecured creditor of its brokers in the event of bankruptcy or administration of such brokers. The Camshaft Funds will attempt to limit its brokerage and custody transactions to well capitalized and established banks and brokerage firms in an effort to mitigate such risks, but the collapse of the seemingly well capitalized and established Bear Stearns and Lehman Brothers demonstrates the limits on the effectiveness of this approach in avoiding counterparty losses.

The Camshaft Funds may effect transactions in over-the-counter ("OTC") and "interdealer" markets. The participants in such markets are typically not subject to the same level of credit evaluation and regulatory oversight as are members of "exchange based" markets. This exposes the Camshaft Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Camshaft Funds to suffer a loss. Such counterparty risk is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or in instances where the Camshaft Funds has concentrated its transactions with a single or small group of counterparties. The inability to make complete and "foolproof" evaluations of the financial capabilities of the Camshaft Funds' counterparties and the absence of a regulated market to facilitate settlement increases the risk to the Camshaft Funds.

The Camshaft Funds are likely to have exposure to trading counterparties other than its prime brokers. If the Camshaft Funds deliver collateral to its trading counterparties under the terms of its ISDA Master Agreements and any other trading agreements, either by posting initial margin or on a daily mark-to-market basis, circumstances may arise where a counterparty may be over-collateralized and/or the Camshaft Funds may from time to time have uncollateralized mark-to-market exposure to a counterparty in relation to its rights to receive securities and cash. In both circumstances the Camshaft Funds will be exposed to the creditworthiness of any such

counterparty and, in the event of the insolvency of a trading counterparty, the Camshaft Funds will rank as an unsecured creditor in relation to amounts equivalent to any such over-collateralization and any uncollateralized exposure to such trading counterparty. In such circumstances it is likely that the Camshaft Funds will be unable to recover any debt in full, or at all.

The Camshaft Funds' contractual arrangements with its trading counterparties will typically contain termination provisions in the event of, among other things, a significant decline in the net asset value of the Camshaft Funds, calculated on a periodic basis, and/or a decline in the net asset value of the Camshaft Funds to an absolute floor. Termination of any such contractual arrangements could seriously impair the ability of the Camshaft Funds to carry on its investment activities.

In addition to the foregoing risks associated with a counterparty or prime broker defaulting or entering into a dispute, there is also the risk that major institutional investors in the Camshaft Funds may be compelled to withdraw or redeem or that the Camshaft Funds' counterparties or brokers will be required to restrict the amount of credit previously granted to the Camshaft Funds due to their own financial difficulties, resulting in forced liquidation of substantial portions of the Camshaft Funds' investments.

The Camshaft Funds' brokers and other counterparties may hold the Camshaft Funds' assets, including assets held as collateral for margin loans or other financing provided to the Camshaft Funds. Under the terms of such arrangements and under applicable law, a secured party may be permitted to rehypothecate such assets in connection with securities lending or other transactions entered into by the secured party. Depending upon the types of instruments traded, the Camshaft Funds may be subject to risk of loss of its assets on deposit with a counterparty in the event of the bankruptcy or insolvency of such counterparty, any clearing broker through which such counterparty executes and clears transactions (whether on behalf of the Camshaft Funds or on behalf of other customers of such counterparty trades (whether on behalf of the Camshaft Funds or on behalf of other customers of such counterparty trades (whether on behalf of the Camshaft Funds or on behalf of other customers of such counterparty).

The Camshaft Funds are not restricted from dealing with any particular counterparty or from concentrating any or all transactions with one counterparty. The ability of the Firm to transact business with any one or number of counterparties, the lack of any meaningful or independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Camshaft Funds.

Illiquid Financial Instruments. Financial Instruments purchased by the Camshaft Funds may lack a liquid trading market, which may result in the inability of the Camshaft Funds to sell any such security or portfolio investment or to close out a transaction or to cover the short sale of a position, thereby forcing the Camshaft Funds to incur potentially unlimited losses in such instruments. This lack of liquidity and depth could be a disadvantage to the Camshaft Funds both in the realization of the prices that are quoted and the execution of orders at desired prices. In addition, Financial Instruments that are at one time marketable could become unmarketable (or more difficult to market) for a number of reasons. For example, in the case of securities traded on the NASDAQ National Market System, Inc., if the price of the securities falls below the minimum price required for continued trading, their marketability is likely to be adversely affected or

effectively eliminated altogether. In addition, most U.S. futures exchanges have established "daily price fluctuation limits" which preclude the execution of trades at prices outside of the limit, and, from time to time, the CFTC or the exchanges may suspend trading in market disruption circumstances. The daily limits establish the maximum amount that the price of a futures contract may vary either up or down from the previous day's settlement price. Once the daily limit has been reached in a particular futures contract, no trades may be made at a price beyond the limit. In these cases, it is possible that the Camshaft Funds could be required to maintain a losing position that it otherwise would close and incur significant losses or be unable to establish a position and miss a profit opportunity. Illiquid Financial Instruments may also be more difficult to value. Liquidity risk arises in the general funding of the Camshaft Funds' trading activities. It includes the risk of the Camshaft Funds not being able to fund trading activities at settlement dates, or liquidate Financial Instrument positions in a timely manner at a reasonable price. The sale of illiquid Financial Instruments often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the OTC markets. The Camshaft Funds may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. Finally, if a substantial number of investors were to redeem/withdraw from the Camshaft Funds and the Camshaft Funds did not have a sufficient amount of cash and liquid securities to satisfy in cash such requests, the Camshaft Funds might have to meet such redemption/withdrawal requests through distributions of illiquid Financial Instruments.

Certain positions are typically liquidated on or shortly before the effective redemption/withdrawal date. If there is a market dislocation, including a daily price fluctuation limit, affecting such position(s) on such date, the price of the position(s) used to determine the net asset value of the investor account may be substantially different than the amount for which the position(s) can ultimately be sold by the Master Fund (or the price that would have been in effect without such market dislocation). Shorter notice for a redemption/withdrawal may exacerbate this result. If a market dislocation exists on a date on which the Camshaft Funds attempts to liquidate positions to satisfy redemptions/withdrawals, the non- redeeming/withdrawing investors (and new subscribers, if any) would be adversely affected if the relevant portfolio positions are subsequently sold for less than the price assigned to the positions as of the redemption/withdrawal date. Alternatively, if the relevant portfolio positions are subsequently sold for greater value, then the redeeming/withdrawing investor would be adversely affected. These effects are exacerbated in the case of redemptions/withdrawals representing a significant percentage of the net asset value of the Camshaft Funds.

Where appropriate, certain positions in the Camshaft Funds' investment portfolio that are illiquid and do not actively trade are marked to market by the Firm, taking into account actual market prices, market prices of comparable investments and/or such other factors (e.g., the tenor of the respective instrument) as the Firm deems appropriate. To the extent that marking an illiquid investment to market is not practicable, an investment will be carried at fair value, as reasonably determined by the Firm. There is no guarantee that fair value will represent the value that will be realized by the Camshaft Funds on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment. As a result, an investor redeeming/withdrawing its investment from the Camshaft Funds prior to realization of such an investment may not participate in gains or losses therefrom.

Cybersecurity Breaches. The Camshaft Funds and the Firm are subject to risks associated with a breach in their cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from "hacking" by other computer users, other unauthorized access and the resulting damage and disruption of hardware and software systems, loss or corruption of data, as well as misappropriation of confidential information. If a cybersecurity breach occurs, the Camshaft Funds may incur substantial costs, including those associated with: forensic analysis of the origin and scope of the breach; investment losses from sabotaged trading systems; identity theft; unauthorized use of proprietary information; litigation; adverse investor reaction; the dissemination of confidential and proprietary information; reputational damage; and increased and upgraded cybersecurity. Any such breach could expose the Firm and/or the Camshaft Funds to civil liability, as well as regulatory inquiry and/or action. In addition, any such breach could cause substantial redemptions/withdrawals from the Camshaft Funds. In addition, investors could be exposed to additional losses as a result of unauthorized use of their personal information.

Evolving Privacy Laws. In the ordinary course of business, the Firm collects, processes, receives, shares and maintains personal information, including data relating to personnel and investors. As a result, the Firm is subject to various U.S. federal and state privacy and information security laws regulating personal information and creating potential liability for the mishandling, misuse or compromise of that personal information. These laws are evolving, and new legislation may be enacted over time. New privacy laws add additional complexity to compliance programs and alternative data use that may require additional investment in resources, and could impact trading strategies.

Limits of Disclosure. The descriptions in the Camshaft Funds' offering documents of the Firm's investment strategies, the markets and Financial Instruments in which the Camshaft Funds trades, the risk factors and conflicts of interest involved in doing so and other aspects of the Camshaft Funds' operations are subject to material inherent limitations and do not purport to be either complete or comprehensive. In investing in the Camshaft Funds, investors are entrusting their capital to the subjective, discretionary market judgment of the Firm, trading in changing, volatile and uncertain markets. No prospective investor should invest in the Camshaft Funds if such investor is not capable of understanding and evaluating the risks of such investment.

Risks Associated with the Camshaft Funds' Investment Strategies

Global Macro Strategies. The success of the Camshaft Funds' global macro investment strategy depends upon the Firm's ability to identify and exploit perceived fundamental, economic, financial and political imbalances that may exist in and between global markets across a variety of Financial Instruments and asset classes. The identification and exploitation of such imbalances and the prediction of price movements in these instruments involves significant uncertainties due to their reliance on various factors, including political, economic, international and environmental trends and events. There can be no assurance that the Firm will be able to identify investment opportunities or exploit such imbalances. The Camshaft Funds may incur substantial losses if the investment these underlying the investment strategies or positions fail to develop as expected by the Firm.

Relative Value Strategy Risks. The success of the Camshaft Funds' relative value trading is dependent on the Firm's ability to exploit relative mispricing's among interrelated instruments. Although relative value positions may be considered to have a lower risk profile than directional trades as the former attempt to exploit price differentials not overall price movements, relative value investment strategies are by no means without risk. Mispricing's, even if correctly identified, may not converge within the time frame within which the Camshaft Funds maintains its positions. Even pure "riskless" arbitrage—which is rare—can result in significant losses if the arbitrage cannot be sustained (due, for example, to margin calls). International securities and markets may not move in correlation with each other or in directions anticipated by the Firm, so that hedging and arbitrage activities may not be successful. The Camshaft Funds' relative value investment strategies are subject to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence or inaccuracy of its algorithms. Market disruptions may also force the Camshaft Funds to close out one or more positions. Such disruptions have in the past resulted in substantial losses for funds employing relative value investment strategies.

The profitability of relative value trading has been materially reduced in certain asset classes in the past decade— in part due to the number of market participants seeking to exploit the same mispricings.

Long/Short Strategies. The success of the Camshaft Funds' long/short investment strategy depends upon the Firm's ability to identify and purchase securities that are undervalued and identify and sell short securities that are overvalued. The identification of investment opportunities in the implementation of the Camshaft Funds' long/short investment strategies is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. In the event that the perceived opportunities underlying the Camshaft Funds' positions were to fail to converge toward, or were to diverge further from, values expected by the Firm, the Camshaft Funds may incur losses. In the event of market disruptions, significant losses can be incurred which may force the Camshaft Funds to close out one or more positions. Furthermore, any valuation models used by the Firm, if applicable, to determine whether a position presents an attractive opportunity consistent with the Firm's long/short investment strategies may become outdated and inaccurate as market conditions change.

Currency Risk – FX Hedging. The Camshaft Funds intends to trade currencies for speculative or hedging purposes and may (but is not required to) use forward contracts and other Financial Instruments to seek to hedge against fluctuations in the relative value of the Fund's investments in respect of the Euro class shares and the GBP class shares. Hedging does not eliminate fluctuations in the value of the U.S. Dollar relative to the Euro or British Pounds Sterling or vice versa, or prevent losses if their relative values change, but rather establishes other positions designed to gain from those same developments, and such hedging transactions may also limit the opportunity for gain if the value of the U.S. Dollar should increase in relation to the Euro or British Pounds Sterling. As with other hedging transactions, currency hedging may result in a poorer overall performance and increased (rather than reduced) risk for the Camshaft Funds, the Euro class shares and the GBP class shares. There can be no guarantee that the Firm will be able to enter into suitable currency hedging transactions at a price and terms sufficient to protect the Camshaft Funds from a decline in the value of a particular currency and that such hedging transactions will be able to be executed at a time when the Camshaft Funds wishes to do so.

The Camshaft Funds may also invest a portion of its assets in equity securities, fixed income securities and other investments denominated in currencies other than the U.S. Dollar and in other Financial Instruments, the prices of which are determined with reference to currencies other than the U.S. Dollar. Currency markets are highly volatile, and currency trading is highly leveraged. For example, governments from time to time intervene, directly and by regulation, in the currency markets, with the specific intention of influencing the exchange rates. Currency markets are also, in general, highly interest rate sensitive, and may also be affected by trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Camshaft Funds may invest in currencies of Emerging Markets (as defined below), which may be less liquid than currencies of developed countries. There can be no guarantee that instruments suitable for hedging currency exchange rate changes will be available at the time when the Camshaft Funds wishes to use them or will be able to be liquidated when the Fund wishes to do so. Some currency risks are difficult or impossible to hedge, including for example the impact of exchange rate fluctuations on portfolio companies' businesses and macroeconomies. In some countries, the markets for certain of these hedging instruments are not highly developed or do not exist. To the extent certain currency exposure is not part of the Camshaft Funds' investment strategy as described above, the Firm may hedge against currency fluctuations, but there can be no assurance that such hedging transactions will be effective.

Opportunistic Investing. The Camshaft Funds will build a portfolio of both long and short equity investments where the investment team has identified potential for value from misunderstood or mispriced opportunities. Although the investment team conducts rigorous analysis of these opportunities, even if such an opportunity is correctly identified, such opportunity may not materialize within the time frame of which the Camshaft Funds maintains its positions, may take considerable time to occur or may result in an alternative strategic action that will result in closing the investment at a lower value than entry. Market liquidity constraints, borrowing availability and short squeezes can all have a material impact on the Camshaft Funds' investments and can require action to liquidate or exit positions at less than optimal levels.

General market disruptions may force the Camshaft Funds to close out one or more positions before the Camshaft Funds can capture gains or when the Camshaft Funds' trades would result in losses. Such disruptions have in the past resulted in substantial losses for investment funds.

Any long investments in financially troubled issuers carry a potential risk of loss by the Camshaft Funds. Among the problems involved in assessing and making investments in troubled issuers is the fact that it frequently may be difficult to obtain information as to the condition of such issuer. The market prices of the securities of such issuers are also subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such securities may be greater than normally expected. It may take a number of years for the market prices of such securities to reflect their intrinsic values. It is anticipated that some of such securities in the portfolio of the Camshaft Funds may not be widely traded, and that the Camshaft Funds' position in such securities may be substantial in relation to the market for such securities.

These types of investing requires active monitoring and may, in rare instances, require participation in bankruptcy or reorganization proceedings by the Firm. To the extent that the Firm becomes involved in such proceedings, the Camshaft Funds may have a more active participation in the affairs of the issuer than that assumed generally by an investor. In addition, the Firm's participation in such proceedings may restrict or limit the Camshaft Funds' ability to trade securities of the subject company. The Camshaft Funds may have limited ability to influence the management of the issuer or to elect a representative to the issuer's board of directors or other governing body, potentially increasing the risk of such investments. In addition, the management of the issuer or its shareholders may have economic or business interests which are inconsistent with those of the Camshaft Funds, and they may be in a position to take action contrary to the Camshaft Funds' objectives.

Special Situations. The Camshaft Funds may have investments in issuers involved in (or the target of) acquisition attempts or tender offers or issuers involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of business enterprise, there exists the risk that the transaction in which such business enterprise is involved will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Camshaft Funds of the security or other Financial Instruments in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Camshaft Funds may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled issuers in which the Camshaft Funds may invest, there is a potential risk of loss by the Camshaft Funds of its entire investment in such issuers.

Short Selling. Short selling involves selling securities which are not owned by the short seller and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the seller to profit from declines in market prices of the sold securities to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Camshaft Funds of buying those securities to cover the short position. There can be no assurance that the Camshaft Funds will be able to maintain the ability to borrow securities sold short. In particular, (i) a tender offer or similar transaction with respect to a company whose securities the Camshaft Funds has sold short or (ii) an unexpected shortage in an underlying commodity with respect to commodity futures that the Camshaft Funds has sold short, could cause the value of such Financial Instruments to rise dramatically, resulting in substantial losses to the Camshaft Funds. Regulators have, and may in the future, suspend short sales in Financial Instruments traded by the Camshaft Funds, which may cause the price of such securities to rise, resulting in a loss to the Camshaft Funds. Brokers may also require the Camshaft Funds to "cover" a short position at an inopportune time thereby forcing the Camshaft Funds to purchase the security at the then-prevailing market price which may be higher than the price at which such security was originally sold short by the Camshaft Funds.

Market Data. The Firm's and the Camshaft Funds' investment strategies depend on a wide variety and large quantity of market data obtained from numerous hosts of different suppliers, including multiple exchanges. Notwithstanding the Firm's reliance on large quantities of market

data, sources of market data may decline over time, which could adversely impact the investment program of the Camshaft Funds. In addition, market data contract pricing and terms are complex and subject to change without prior notice in many cases; increases in market data contract pricing could make the acquisition of certain data cost-prohibitive for the Firm which would negatively impact the Camshaft Funds' net performance. If data that the Camshaft Funds relies on is corrupted, compromised or discontinued in any material manner, the Camshaft Funds may suffer material losses or be exposed to the risk of loss of investment opportunities.

Credit Ratings. Credit ratings of structured finance products, other fixed-income instruments and investments represent the rating agencies' opinions regarding their credit quality and are not a guarantee of future credit performance of such securities. Rating agencies attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value. Therefore, the ratings assigned to securities by rating agencies may not fully reflect the true risks of an investment. Further, in recent years many highly rated structured securities have been subject to substantial losses.

Discretionary Aspects of the Firm's Investment Approach. The Firm's strategies and research methodologies retain certain discretionary aspects. In particular, the discretion of the Firm is expected to be used throughout the research and creation of models, in interpreting data, choosing signals and ranking their importance. In addition, from time to time, the Firm may determine to make investment decisions or reallocate the Camshaft Funds' capital in respect of a particular asset class or investment strategy in anticipation of, or in reaction to, what the Firm deems to be certain "material events" in the global economy. Such "material events" include, but are not limited to, economic turning points, market regime changes, central bank announcements, geopolitical shifts and other material economic and market or risk events underlying the Camshaft Funds' investment strategies and in the Firm's view represent opportunities to enhance returns, reduce volatility or protect against potential drawdowns. There can be no assurances that such interventions will be successful or not increase the Camshaft Funds' losses attributable to such external events.

Use of Leverage. The investment strategies utilized on behalf of the Camshaft Funds generally involve the use of borrowed funds and otherwise obtaining leveraged exposures to Financial Instruments. Leverage in respect of certain investment strategies employed on behalf of the Camshaft Funds may be significant. Such leverage may be employed at the strategy level or the portfolio level. Use of leverage for investment purposes entails significant risks. Use of leverage tends to magnify the gains or losses from investment activities and the overall volatility of the Camshaft Funds. In addition, leverage results in interest expense and other costs and premiums. If gains earned by the Camshaft Funds' portfolio fail to cover such costs, the net asset value of the Camshaft Funds may decrease faster than if there had been no borrowings.

If securities pledged to brokers or other financial institutions to secure the Camshaft Funds' margin accounts decline in value, the Camshaft Funds could be subject to a "margin call," pursuant to which the Camshaft Funds must either deposit additional funds with the broker, or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. The prime brokers and dealers that provide financing to the Camshaft Funds will determine the margin, haircut and collateral valuation policies that will apply to the Camshaft Funds from time to time.

Changes by prime brokers and dealers in margin, haircut, financing and valuation policies may result in margin calls, loss of financing and forced liquidations of positions at disadvantageous prices. There can be no assurance that the Camshaft Funds will be able to maintain any financing, and at times, especially during distressed market conditions, brokers and dealers have substantially reduced the availability of credit. If the Camshaft Funds is unable to obtain financing on terms acceptable to the Firm, the Camshaft Funds could be forced to liquidate portfolio investments on a schedule that the Firm would not otherwise follow and incur significant losses.

Hedging. Hedging techniques involve one or more of the following risks: (i) imperfect correlation between the performance and value of the instrument and the value of the Camshaft Funds securities or other objective of the Firm; (ii) possible lack of a secondary market for closing out a position in such instrument; (iii) losses resulting from interest rate, spread or other market movements not anticipated by the Firm; (iv) the possible obligation to meet additional margin or other payment requirements, all of which could worsen the Camshaft Funds' position; and (v) default or refusal to perform on the part of the counterparty with which the Camshaft Funds trade. Furthermore, to the extent that any hedging strategy involves the use of OTC derivatives transactions, such a strategy would be affected by implementation of various regulations, including those adopted pursuant to Dodd-Frank.

The Firm will not, in general, attempt to hedge all market or other risks inherent in the Camshaft Funds' positions, and hedges certain risks, if at all, only partially. Specifically, the Firm may choose not, or may determine that it is economically unattractive, to hedge certain risks—either in respect of particular positions or in respect of the Camshaft Funds' overall portfolio. The Camshaft Funds' portfolio composition will commonly result in various directional market risks remaining unhedged. The Firm may rely on diversification to control such risks to the extent that the Firm believes it is desirable to do so; however, the Camshaft Funds is not subject to formal diversification policies.

The ability of the Camshaft Funds to hedge successfully will depend on the ability of the Firm to predict pertinent price movements or the underlying causes of such price movements, which cannot be assured. The Firm is not required to hedge and there can be no assurance that hedging transactions will be available or, even if undertaken, will be effective. In addition, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations. Moreover, it should be noted that the portfolio will always be exposed to certain risks that cannot be hedged, such as counterparty credit risk. Furthermore, by hedging a particular position, any potential gain from an increase in the value of such position may be limited.

Emerging Market Investing. The Camshaft Funds may invest a portion of its assets in the securities of, or instruments providing exposure to, less developed countries or countries with new or developing capital markets ("Emerging Markets"), as well as trade the currencies of such countries to hedge currency exposure. The value of Emerging Markets currencies and securities may be drastically affected by political developments in the country of issuance. In addition, the existing governments in the relevant countries could take actions that could have a negative impact on the Camshaft Funds, including nationalization, expropriation, sudden imposition of capital

controls, imposition of confiscatory taxation or regulatory or imposition of withholding or other taxes on interest payments.

Some of the countries in which the Camshaft Funds may invest have experienced political, economic and/or social instability. Many such countries have also experienced dramatic swings in the value of their national currency. There can be no assurance that such instability or such fluctuations will not occur in the future and, if they do occur, that they will not have a substantial adverse effect on the performance of the Camshaft Funds.

The economies of many of the Emerging Markets countries are still in the early stages of modern development and are subject to abrupt and unexpected change. In many cases, governments retain a high degree of direct control over the economy and may take actions having sudden and widespread effects. Also, many Emerging Markets country economies have a high dependence on a small group of markets or even a single market. Emerging Markets countries also tend to have periods of high inflation and high interest rates, as well as substantial volatility in interest rates, which could affect the Camshaft Funds adversely.

Foreign investment in the Emerging Markets countries is in some cases restricted. Many of these countries have non-convertible currencies and the value of investments may be affected by fluctuation in available currency rates and exchange control regulations. The remittance of profits may therefore be restricted, and the Camshaft Funds may utilize swaps and other forms of indirect investment to access such markets. Moreover, the banking systems in these countries are not fully developed and considerable delays may occur in the transfer of funds within, and the remittance of monies out of, Emerging Markets countries.

Certain Emerging Markets countries are particularly likely to require identifying information about entities and persons who have direct, or even indirect, exposure to the securities of issuers in those countries. This may result in the Camshaft Funds being asked to provide information about investors to Emerging Markets regulators or to the brokers who are providing services to the Camshaft Funds in connection with trading activities. Such information may include, but may not be limited to, the identities, addresses and countries of origin of the investors.

Volatility. The market value of certain investments held by the Camshaft Funds may be volatile, and will generally fluctuate due to a variety of factors that are inherently difficult to predict, including, among other things, the macro business and economic environment, specific developments or trends in respect of a company or in any particular industry, the market's overall perception of risk, general economic conditions, the condition of certain financial markets, domestic and international economic and political events, prevailing credit spreads, changes in prevailing interest rates and the financial condition of counterparties.

Interest Rate Risk. The Camshaft Funds is subject to interest rate risk. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. The Firm may attempt to minimize the exposure of its portfolio to interest rate changes through the use of interest rate swaps, interest rate futures

and/or interest rate options. However, there can be no guarantee that the Firm will be successful in mitigating the impact of interest rate changes on its portfolio.

Potential Inability to Trade or Report Due to Systems Failure. The Firm's investment strategies rely extensively on a wide range of information technology systems, including computer hardware and software systems and will be dependent to a significant degree on the proper functioning of such internal and external computer systems. Information technology systems are subject to a number of inherent and unpredictable risks. Accordingly, systems failures, whether due to third-party failures upon which such systems are dependent or the failure of the Firm's hardware or software, could disrupt trading or make trading impossible until such failure is remedied. Any such failure, and consequential inability to trade (even for a short time), could, in certain market conditions, cause the Camshaft Funds to experience significant trading losses or to miss opportunities for profitable trading. Any such failures also could cause a temporary delay in reports to investors.

Availability of Investment Opportunities. There can be no assurance that the Firm will be able to find suitable opportunities consistent with its investment approach or that it believes will likely to provide the desired returns. Market conditions may limit the availability of investment opportunities. Such limitations may cause delays in deploying the Camshaft Funds' capital, concentration of the Camshaft Funds' investments and may negatively impact the Camshaft Funds' returns.

No Material Restrictions. The Firm will opportunistically implement whatever investment strategies it believes from time to time may be best suited to prevailing market conditions and to the Firm's investment approach, without material restrictions. Such investment strategies may involve higher levels of risk than the ones discussed herein. There can be no assurance that the Firm will be successful in applying any strategy to the Camshaft Funds' investing.

Risks Relating to Financial Instruments Traded

Futures. The rapid fluctuations in the market prices of futures interests make an investment in the Camshaft Funds volatile. Volatility is caused by changes in supply and demand relationships; weather; agricultural, trade, fiscal, monetary and exchange control programs; U.S. and non-U.S. political and economic events and policies; and changes in interest rates. If the Firm incorrectly predicts the direction of the price in a futures interest, large losses may occur and the Camshaft Funds could lose all or substantially all of its assets.

Futures prices are highly volatile and are affected by a wide variety of complex and hard to predict factors; consequently, a primary risk in trading these instruments is rapid fluctuations in market prices in a short time period. Price fluctuations may affect the Firm's ability to earn investment returns for the Camshaft Funds. Market volatility may also depart significantly from historical averages, which could affect performance. Volatility could create adverse results for the performance of the Camshaft Funds in several ways. A period of substantial volatility shortly after an investor's initial investment, or additional investments thereafter, could adversely affect performance and cause a significant reduction in such investor's equity, making it more difficult to achieve profitability. Substantial volatility prior to the time of a planned redemption/withdrawal

adversely affect performance, and could reduce the amount of proceeds actually received when the redemption/withdrawal has been completed.

Futures exchanges may impose position accountability limits (the "Position Accountability Limits") with respect to certain futures contracts traded on each particular futures exchange. Position Accountability Limits are triggers that would bring the Camshaft Funds' position(s) to the attention of the exchange. Through the application of Position Accountability Limits, exchanges can prohibit an investor from holding a position of more than a specific number of futures contracts. Under the rules of a futures exchange, if the Camshaft Funds holds a certain number of futures contracts approaching the Position Accountability Limit, the Camshaft Funds may be required by the futures exchange to limit or decrease its holdings of such futures contracts pursuant to the futures exchange's Position Accountability Limits. If the Camshaft Funds is required to either limit or decrease its holdings of such futures contracts, or if an exchange lowers its Position Accountability Limits, the Camshaft Funds may be adversely affected and may not be able to achieve its investment objective.

Non-U.S. Futures. Foreign futures transactions involve executing and clearing trades on non-U.S. futures exchanges. This is the case even if the foreign exchange is formally "linked" to a U.S. futures exchange, whereby a trade executed on one exchange liquidates or establishes a position on the other exchange. No U.S. organization regulates the activities of a foreign exchange, including the execution, delivery and clearing of transactions on such an exchange, and no domestic regulator has the power to compel enforcement of the rules of the foreign exchange or the laws of the foreign country. Moreover, such laws or regulations will vary depending on the foreign country in which the transaction occurs. For these reasons, the Camshaft Funds may not be afforded certain of the protections which apply to domestic transactions, including the right to use domestic alternative dispute resolution procedures. In particular, funds received from customers to margin foreign futures transactions may not be provided the same protections as funds received to margin futures transactions on domestic exchanges. In addition, the price of any foreign futures or option contract and, therefore, the potential profit and loss resulting therefrom, may be affected by any fluctuation in the foreign exchange rate between the time the order is placed and the time the foreign futures contract is liquidated or the foreign option contract is liquidated or exercised.

Credit Default Swaps. The Camshaft Funds may invest in credit default swaps ("CDS"). A credit default swap is a contract between two parties which transfers the risk of loss if a company fails to pay principal or interest on time or files for bankruptcy. Credit default swaps can be used to hedge a portion of the default risk on a single corporate bond or a portfolio of bonds. In addition, credit default swaps can be used to implement the Firm's view that a particular credit, or group of credits, will experience credit improvement or credit impairment. Swap transactions dependent upon credit events are priced incorporating many variables including the pricing and volatility of the common stock, and potential loss upon default, among other factors. As such, there are many factors upon which market participants may have divergent views.

The Camshaft Funds may also purchase or sell CDS on a basket of reference entities or an index. In circumstances in which the Camshaft Funds is the credit default swap buyer and does not own the debt securities that are deliverable under a CDS, the Camshaft Funds is exposed to the risk that deliverable securities will not be available in the market, or will be available only at

unfavorable prices, as would be the case in a so-called "short squeeze." While the credit default swap market auction protocols reduce this risk, it is still possible that an auction will not be organized or will not be successful. As a seller of CDS, the Camshaft Funds incurs leveraged exposure to the credit of the reference entity and is subject to many of the same risks it would incur if it were holding debt securities issued by the reference entity. However, the Camshaft Funds will not have any legal recourse against the reference entity and will not benefit from any collateral securing the reference entity's debt obligations. In addition, in the event that a cash settlement auction to identify the relevant deliverable securities, is not established the credit default swap buyer will have broad discretion to select which of the reference entity's debt obligations to deliver to the Camshaft Funds following a credit event and will likely choose the obligations with the lowest market value in order to maximize the payment obligations of the Camshaft Funds.

Equity Investments. The Camshaft Funds intends to invest in equity markets, which may involve substantial risks. Investments in equity markets are highly volatile and may be subject to wide and sudden fluctuations, with a resulting fluctuation in the Camshaft Funds' performance. Equity markets may decline due to factors affecting equity securities markets generally or particular industries represented in those markets. Factors affecting the equity markets include, without limitation, real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, political events or adverse investor sentiment generally. They may also decline due to factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Equity markets tend to be cyclical and may experience periods of turbulence. For the foregoing reasons, investments in equity markets can be highly speculative and carry a substantial risk of loss of principal.

The Camshaft Funds' single name equity investments may involve substantial risks and may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. There are no absolute restrictions in regard to the size or operating experience of the companies in which the Camshaft Funds may invest. Relatively small companies may lack management depth or the ability to generate internally, or obtain externally, the funds necessary for growth. Companies with new products or services could sustain significant losses if projected markets do not materialize. Equity prices are directly affected by issuer specific events, as well as general market conditions. In addition, in many countries investing in common stocks is subject to heightened regulatory and self-regulatory scrutiny as compared to investing in debt or other Financial Instruments. Changes in the structure of the equity markets or new market participants may materially impede the Camshaft Funds' investment strategy.

Fixed Income Investments. The Camshaft Funds intends to invest in bonds and other fixed income securities of U.S. and non-U.S. issuers. The value of the fixed income securities in which the Camshaft Funds may invest changes both as general market conditions change and as the general levels of interest rates fluctuate. When interest rates decline, the value of the Camshaft Funds' fixed income securities can be expected to rise. Conversely, when interest rates rise, the value of such securities is generally expected to decline. Investments in lower rated or unrated fixed income securities in which the Camshaft Funds may invest, while generally providing greater opportunity for gain and income than investments in higher rated securities, usually entail greater risk (including the possibility of default or bankruptcy of the issuers of such securities). Fixed

income securities are generally not exchange traded and therefore, usually carry a higher level of liquidity and mark-to-market risk potential than most exchange-traded equity securities.

The Camshaft Funds may take positions in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Camshaft Funds may take positions in debt securities which are not protected by financial covenants or limitations on additional indebtedness. The Camshaft Funds may invest in securities which are moral obligations of issuers or subject to appropriations. The Camshaft Funds will therefore be subject to credit and liquidity risks. In addition, evaluating credit risk for debt securities of issuers in some jurisdictions involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult.

Prepayment Risk. The frequency at which prepayments (including voluntary prepayments by the obligors and accelerations due to defaults) occur on debt instruments will be affected by a variety of factors including the prevailing level of interest rates and spreads as well as economic, demographic, tax, social, legal and other factors. Generally, obligors tend to prepay their fixed rate obligations when prevailing interest rates fall below the coupon rates on their obligations. Similarly, floating rate issuers and borrowers tend to prepay their obligations when spreads narrow.

In general, "premium" securities (securities whose market values exceed their principal or par amounts) are adversely affected by faster than anticipated prepayments, and "discount" securities (securities whose principal or par amounts exceed their market values) are adversely affected by slower than anticipated prepayments. Since many fixed rate obligations will be discount instruments when interest rates and/or spreads are high, and will be premium instruments when interest rates and/or spreads are low, such debt instruments may be adversely affected by changes in prepayments in any interest rate environment.

The adverse effects of prepayments may impact the Camshaft Funds' portfolio in two ways. First, particular investments may experience outright losses, as in the case of an interest-only instrument in an environment of faster actual or anticipated prepayments. Second, particular investments may underperform relative to hedges that the Firm may have constructed for these investments, resulting in a loss to the Camshaft Funds' overall portfolio. In particular, prepayments (at par) may limit the potential upside of many instruments to their principal or par amounts, whereas their corresponding hedges often have the potential for unlimited loss.

High-Yield Securities. The Camshaft Funds may invest in high yield securities. High-yield securities face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer's inability to meet timely interest and principal payments. The market values of certain of these lower-rated and unrated debt securities tend to reflect individual corporate developments to a greater extent than do higher-rated securities which react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions than are higher-rated securities. Companies that issue such securities are often highly leveraged and may not have available

to them more traditional methods of financing. It is possible that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is possible that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default of such securities.

Corporate Debt. Bonds, notes and debentures issued by corporations may pay fixed, variable or floating rates of interest, and may include zero-coupon obligations. Corporate debt instruments may be subject to credit ratings downgrades. Other instruments may have the lowest quality ratings or may be unrated. In addition, the Camshaft Funds may be paid interest in kind in connection with its investments in corporate debt and related Financial Instruments (e.g., the principal owed to the Camshaft Funds in connection with a debt investment may be increased by the amount of interest due on such debt investment). Such investments may experience greater market value volatility than debt obligations that provide for regular payments of interest in cash and, in the event of a default, the Camshaft Funds may experience substantial losses.

Mezzanine Debt. Mezzanine debt is typically junior to the obligations of a company to senior creditors, trade creditors and employees. The ability of the Master Fund to influence a company's affairs, especially during periods of financial distress or following an insolvency, will be substantially less than that of senior creditors. Mezzanine debt instruments are often issued in connection with leveraged acquisitions or recapitalizations in which the issuers incur a substantially higher amount of indebtedness than the level at which they had previously operated. Default rates for mezzanine debt instruments have historically been higher than for investment-grade instruments. In the event of the insolvency of a portfolio company of the Master Fund or similar event, the Master Fund's debt investment therein will be subject to fraudulent conveyance, subordination and preference laws.

Non-Performing Nature of Debt. Certain debt instruments may be non-performing or in default. Furthermore, the obligor or relevant guarantor may also be in bankruptcy or liquidation. There can be no assurance as to the amount and timing of payments, if any, with respect to such debt instruments.

Troubled Origination. When financial institutions or other entities that are insolvent or in serious financial difficulty originate debt, the standards by which such instruments were originated, the recourse to the selling institution, or the standards by which such instruments are being serviced or operated may be adversely affected.

Obligations of Governments, their Agencies and Instrumentalities. The Camshaft Funds intends to invest in government securities. Government securities are obligations of, or are guaranteed by, governments, their agencies or instrumentalities. These instruments include bills, certificates of indebtedness and notes and bonds issued by governments, states, municipalities or by government agencies or instrumentalities. Some government securities, such as U.S. Treasury bills and bonds, are supported by the full faith and credit of the government treasury; others are supported by the right of the issuer to borrow from the government treasury; others are supported by the discretionary authority of the government to purchase the agency's obligations; still others

are supported only by the credit of the instrumentality. Certain events, including bankruptcy filings by certain municipalities, have highlighted the risks inherent in investing in government securities. It is difficult, if not impossible, to determine the extent to which such filings will become more common. Bankruptcy laws applicable to governments are relatively untested and may not provide the same protections to creditors as those contained in bankruptcy laws applicable to non-government debtors. It is impossible to predict whether the Partnership will be able to successfully avoid losses relating to defaults by issuers of governmental securities.

Various factors may adversely affect the value and yield of municipal securities. These factors include imbalances in demand, potential legislative changes, as well as uncertainties related to the tax status of municipal bonds or the rights of others holding these securities. Returns will depend on a positively sloped yield curve and the relationship between the tax-exempt and taxable yield curves. Adverse changes in the slope of the municipal bond yield curve as well as its relationship to the taxable yield curve, among other things, could have a material adverse effect on performance. Investments in municipal securities may be subject to liquidity risk because of the fragmentation of the municipal bond market and the unique effect that political, legislative and/or regulatory actions can have on the municipal bond market, compared to the taxable markets.

The Camshaft Funds intends to invest in sovereign debt issued or guaranteed by U.S. and non-U.S. governments, their agencies and instrumentalities either in the currency of their domicile or in a foreign currency. Investors in sovereign debt may be asked to participate in debt restructuring, including the deferral of interest and principal payments, and may also be requested by the issuer to extend additional loans. Investments in sovereign debt are subject to varying degrees of credit risk depending on the level of government support. Certain sovereign debt securities are supported by the full faith and credit of the national government or political subdivision or agency, while others lack such support. Investments in sovereign debt are also subject to varying degrees of credit risk as a result of financial or political instability in the relevant countries. Certain events, such as the political and economic instability in various European Union (the "EU") countries, have highlighted the risks inherent in investing in sovereign debt, including an EU member choosing to leave the Eurozone and redenominating its debt. The unwillingness of one or more EU countries to provide assistance to distressed sovereigns within the EU underlines the unexpected political dynamics that may arise to undermine investor expectations regarding the safety of sovereign debt.

Additionally, the financial markets are roiled from time to time by evolving developments relating to possible sovereign defaults or moratoriums. A sovereign's financial condition is subject to numerous factors—social programs, political pressure, supra-national economic actions—all or many of which may be exogenous to the Firm's analysis and research and may from time to time dominate market pricing (even if contrary to fundamental/trading dynamic pricing correctly identified by the Firm). It is impossible to predict whether the Camshaft Funds will be able to successfully avoid losses relating to sovereign default. There is no current means of collecting on defaulted sovereign debt as part of bankruptcy or other proceedings.

In addition to general default risk relating to sovereign debt, if the Camshaft Funds invests in sovereign debt denominated in a currency other than U.S. Dollars (or in respect of which payments of principal or interest are paid in a currency other than U.S. Dollars), the Camshaft Funds will be exposed to the risk that one or more jurisdictions may impose currency controls that

would limit the Camshaft Funds' ability to convert such payments of principal or interest to U.S. Dollars. It is impossible to predict whether any such currency controls will be imposed.

Countries or territories (including Venezuela, Russia, Argentina, Puerto Rico, Turkey and Lebanon) have encountered, or are currently encountering, difficulties in servicing their external national or government debt obligations, which led to defaults on government obligations and the restructuring of certain indebtedness. One sovereign default may have an adverse effect on the markets of both the defaulting country or territory and non-defaulting countries and/or territories.

Repurchase and Reverse Repurchase Agreements. The Camshaft Funds may enter into repurchase and reverse repurchase agreements. When the Camshaft Funds enters into a repurchase agreement, it "sells" securities to a broker-dealer or financial institution, and agrees to repurchase such securities on a mutually agreed date for the price paid by the broker-dealer or financial institution, plus interest at a negotiated rate. In a reverse repurchase transaction, the Camshaft Funds "buys" securities from a broker-dealer or financial institution, subject to the obligation of the broker-dealer or financial institution to repurchase such securities at the price paid by the Camshaft Funds, plus interest at a negotiated rate. The use of repurchase and reverse repurchase agreements by the Camshaft Funds involves certain risks. For example, if the seller of securities to the Camshaft Funds under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Camshaft Funds will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganization under applicable bankruptcy or other laws, the Camshaft Funds' ability to dispose of the underlying securities may be restricted. It is possible, in a bankruptcy or liquidation scenario, that the Camshaft Funds may not be able to substantiate its interest in the underlying securities. Finally, if a seller defaults on its obligation to repurchase securities under a reverse repurchase agreement, the Camshaft Funds may suffer a loss to the extent that it is forced to liquidate its position in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller.

Distressed Securities. The fact that certain of the companies in whose securities the Camshaft Funds may invest are in transition, out of favor, financially leveraged or troubled, or potentially troubled, and may be or have recently been involved in major strategic actions, restructurings, bankruptcy, reorganization or liquidation, means that their securities are likely to be particularly risky investments although they also may offer the potential for correspondingly high returns. Such companies' securities may be considered speculative, and the ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry, or specific developments within such companies. In addition, there is no minimum credit standard that is a prerequisite to the Camshaft Funds' investment in any instrument, and a significant portion of the obligations and preferred stock in which the Camshaft Funds invests may be less than investment grade.

Investment in the securities of financially troubled issuers and operationally troubled issuers involves a high degree of credit and market risk. Although the Camshaft Funds invests in select companies that, in the view of the Firm, have the potential over the long-term for capital growth, there can be no assurance that such financially troubled issuers or operationally troubled issuers can be successfully transformed into profitable operating companies. There is a possibility

that the Camshaft Funds may incur substantial or total losses on its investments. During an economic downturn or recession, securities of financially troubled or operationally troubled issuers are more likely to go into default than securities of other issuers. In addition, it may be difficult to obtain information about financially troubled issuers and operationally troubled issuers.

Securities of financially troubled issuers and operationally troubled issuers are less liquid and more volatile than securities of companies not experiencing financial difficulties. The market prices of such securities are subject to erratic and abrupt market movements and the spread between bid and asked prices may be greater than normally expected. In addition, it is anticipated that many of the Camshaft Funds' portfolio investments may not be widely traded and that the Camshaft Funds' investment in such securities may be substantial relative to the market for such securities. As a result, the Camshaft Funds may experience delays and incur losses and other costs in connection with the sale of its portfolio securities.

Derivative Instruments. The Camshaft Funds will use various derivative financial instruments for both hedging and synthetic investing. Derivative financial instruments include credit derivatives, interest rate swaps, total return swaps, options, forward currency contracts and futures. In addition, the Camshaft Funds may from time to time use both exchange-traded and OTC futures and options as part of its investment strategy and for hedging purposes. Such derivative instruments may be highly volatile, involve certain special risks and expose investors to a high risk of loss.

The risks relating to OTC derivatives that are not otherwise cleared through a central clearing party include, but are not limited to, the following: (i) credit risk (the exposure to the possibility of loss resulting from a counterparty's failure to meet its financial obligations); (ii) market risk (adverse movements in the price of a financial asset or commodity); (iii) legal risk (the characterization of a transaction or a party's legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could preempt otherwise enforceable contract rights); (iv) operational risk (inadequate controls, deficient procedures, human error, system failure or fraud); (v) documentation risk (exposure to losses resulting from inadequate documentation); (vi) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative); (vii) systemic risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (viii) concentration risk (exposure to losses from the concentration of closely related risks such as exposure to a particular industry or exposure linked to a particular entity); and (ix) settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty).

Use of derivatives and other techniques such as short sales for hedging purposes involves certain additional risks, including (i) dependence on the ability to predict movements in the price of the Financial Instruments hedged; (ii) imperfect correlation between movements in the Financial Instruments on which the derivative is based and movements in the assets of the underlying portfolio; and (iii) possible impediments to effective portfolio management or the ability to meet short-term obligations because of the percentage of a portfolio's assets segregated to cover its obligations. In addition, by hedging a particular position, any potential gain from an increase in value of such position may be limited. See also "Short Selling," "Options" and "Leverage."

Transactions in OTC derivatives may involve other risks as well. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further losses exceeding any margin deposited. Further, when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged. Lastly, regulatory restraints may restrict the notional amount of instruments that the Camshaft Funds may trade.

Swaps. The Camshaft Funds may enter into swap agreements (including total return and foreign exchange swaps) and other types of OTC transactions with broker-dealers or other financial institutions. Depending on their structures, swap agreements may increase or decrease the Camshaft Funds' exposure to various securities, commodities, indices, currencies or other investments or units of measure. The values of the Camshaft Funds' swap positions would increase or decrease depending on the changes in value of the underlying asset.

Total return swaps typically involve commitments to pay interest in exchange for a market-linked return, both based on notional amounts. Depending on the change in the value or level of the underlying instrument, basket of instruments, or index, the Camshaft Funds will either receive or make a payment based on the amount of the change. To the extent the total return of the instrument, basket of instruments, or index underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the Camshaft Funds will receive a payment from or make a payment to the counterparty, respectively.

The use of swaps involves investment techniques and risks different from and potentially greater than those associated with ordinary securities transactions. Swaps involve the risk that the price of the swap used by the Camshaft Funds to calculate net asset value does not accurately reflect its fair market value, which could have a favorable or unfavorable effect on the net asset value of the Camshaft Funds. Some swaps are complex and, in the case of bilateral (uncleared) swaps, may be valued based on quotations given by the Camshaft Funds' swap counterparty, who has adverse interests to the Camshaft Funds with respect to the value of the swap. In certain cases related to bilateral (uncleared) swaps, the Camshaft Funds' swap counterparty may be the only source of value quotations for a swap, while in other cases, multiple quotes may be available. There are also different methodologies that may be used to determine the value of a credit default swap and credit default swap spreads may be wide. As a result of the foregoing factors, the Camshaft Funds may not be able to close out swaps at the price used by the Camshaft Funds to calculate its net asset value. Also, under certain circumstances related to bilateral (uncleared) swaps, if a swap counterparty undervalues the Camshaft Funds' interest in a swap, it could require the Camshaft Funds to transfer greater amounts of collateral to the counterparty than if the swap was valued at fair market value.

Because the master and credit support agreements for bilateral (uncleared) OTC swap transactions are individually negotiated with a specific counterparty, there exists the risk that the parties may interpret contractual terms (*e.g.*, the definition of default) differently when the Camshaft Funds seeks to enforce its contractual rights. If that occurs, the Camshaft Funds may be

forced to seek to enforce its contractual rights through legal proceedings, which may be costly and time consuming.

There is currently little case law characterizing total rate of return swaps and other derivatives, interpreting their provisions and characterizing their tax treatment. There can be no assurance that future decisions construing similar provisions to those in many of the Camshaft Funds' swap agreements or other related documents or additional regulations and laws governing such derivatives will not have a material adverse effect on the Camshaft Funds.

The CFTC requires certain derivative transactions that were previously executed on a bilateral basis in the OTC markets to be executed through a regulated futures or swap exchange or execution facility. The SEC is also expected to impose similar requirements on certain security-based derivatives in the near future, though it is not yet clear when these parallel SEC requirements will go into effect. Such requirements may make it more difficult and costly for investment funds, including the Camshaft Funds, to enter into highly tailored or customized transactions. They may also render certain strategies in which the Camshaft Funds might otherwise engage impossible or so costly that they will no longer be economical to implement. If the Camshaft Funds decides to execute derivatives transactions through such exchanges or execution facilities—and especially if it decides to become a direct member of one or more of these exchanges or execution facilities—the Camshaft Funds would be subject to the rules of the exchange or execution facility, which would bring additional risks and liabilities, and potential requirements under applicable regulations and under rules of the relevant exchange or execution facility.

With respect to cleared OTC derivatives, the Camshaft Funds will not face a clearinghouse directly but rather through an OTC derivatives dealer that is registered with the CFTC or SEC to act as a clearing member. The Camshaft Funds may face the indirect risk of the failure of another clearing member customer to meet its obligations to its clearing member. Such scenario could arise due to a default by the clearing member on its obligations to the clearinghouse, triggered by a customer's failure to meet its obligations to the clearing member.

Options. The Camshaft Funds may engage in the trading of options. Trading options is highly speculative and may entail risks that are greater than investing in other securities. The value of options will be affected by market volatility and prices of options are generally more volatile than prices of other securities. Furthermore, specific market movements of the securities underlying an option cannot accurately be predicted.

In trading options, the Firm speculates on market fluctuations of securities and securities indices (or other indices, such as credit indices) while investing only a small percentage of the value of the securities underlying such option. A change in the market price of the underlying securities or underlying market index will cause a much greater change in the price of the option contract. In addition, to the extent that the Camshaft Funds purchases options that it does not sell or exercise, the Camshaft Funds will suffer the loss of the premium paid in such purchase. To the extent the Camshaft Funds sells uncovered options and must deliver the underlying securities at the option price, the Camshaft Funds has a theoretically unlimited risk of loss if the price of such underlying securities increases. If the Camshaft Funds must buy those underlying securities, the Camshaft Funds risks the loss of the difference between the market price of the underlying securities and the option price. Any gain or loss derived from the sale or exercise of an option will

be reduced or increased, respectively, by the amount of the premium paid. The expenses of option investing include commissions payable on the purchase and on the exercise or sale of an option.

Stock Index Options. The Camshaft Funds may purchase and sell call and put options on stock indices listed on securities exchanges or traded in the over-the-counter market for the purpose of realizing its investment objectives or for the purpose of hedging its portfolio. A stock index fluctuates with changes in the market values of the stocks included in the index. The effectiveness of purchasing or writing stock index options for hedging purposes will depend upon the extent to which price movements in the Camshaft Funds' portfolio correlates with price movements of the stock indices selected. Because the value of an index option depends upon movements in the level of the index rather than the price of a particular stock, whether the Camshaft Funds realizes gains or losses from the purchase or writing of options on indices depends upon movements in the level of prices in the stock market generally or, in the case of certain indices, in an industry or market segment, rather than movements in the price of particular stocks. Accordingly, successful use by the Camshaft Funds of options on stock indices will be subject to the Firm's ability to correctly predict movements in the direction of the stock market generally or of particular industries or market segments.

Forward Contracts. The Camshaft Funds may enter into forward contracts, generally for currency hedging purposes. In the absence of exchange trading and the involvement of clearing houses, there are no standardized terms for forward contracts. Accordingly, the parties are free to establish such settlement times and underlying amounts of a security or currency as desirable, which may vary from the standardized provisions available through any futures contract. In addition, as two party obligations for which there is no secondary market, forward contracts involve counterparty risk not present with futures.

Foreign Securities and Foreign Currencies. The Camshaft Funds may invest in securities of foreign issuers (including by entering into total return swap and similar Financial Instruments), securities denominated in foreign currencies, and depository receipts, such as ADRs, which are receipts typically issued by a U.S. bank or trust company and which evidence ownership of underlying securities of non-U.S. corporations. Investing in foreign securities, currencies, and/or ADRs may present a greater degree of risk than investing in domestic securities and currencies due to possible exchange rate fluctuations, a change in trade balances, possible exchange controls, less publicly-available information, more volatile markets, less regulation, less favorable tax provisions (including possible withholding taxes), war or expropriation. In particular, the dollar value of portfolio securities of non-U.S. issuers fluctuates with changes in market and economic conditions abroad and with changes in relative currency values. The application of foreign tax laws (e.g., the imposition of withholding taxes on dividend or interest payments) or confiscatory taxation may also affect investment in foreign securities.

The Camshaft Funds may trade on exchanges located outside the United States. Trading on U.S. exchanges is subject to SEC and CFTC regulation and oversight, as applicable, including, for example, minimum capital requirements for commodity brokers, regulation of trading practices on the exchanges, prohibitions against trading ahead of customer orders, prohibitions against filling orders off exchanges, prescribed risk disclosure statements, testing and licensing of industry sales personnel and other industry professionals, and recordkeeping requirements. Trading on foreign exchanges is not regulated by the SEC, CFTC or any other U.S. governmental agency or

instrumentality and may be subject to regulations that are different from those to which U.S. exchange trading is subject, provide less protection to investors than trading on U.S. exchanges, and may be less vigorously enforced than regulations in the United States. Positions on foreign exchanges also are subject to the risk of exchange controls, expropriation, excessive taxation or government disruptions.

Commodities. Trading commodities and commodity interests (e.g., futures contracts on commodities, securities indices or currencies) is highly speculative and may entail risks that are greater than the risks associated with investing in equity securities. Prices of commodity interests are generally more volatile than prices of equity securities and such volatility is expected to reoccur in the future. Because of the low margin deposits typically required in commodity contract trading, a relatively small movement in the market price of a commodity contract may result in a disproportionately large profit or loss to the Camshaft Funds. Market movements can be volatile and are difficult to predict. Weather, inflation, trade policies, geopolitical events and other unforeseen events can also have a significant impact upon commodity prices. A variety of possible actions by various government agencies also can inhibit profitability or can result in losses. Such events could result in large market movements and volatile market conditions and create the risk of significant losses for the Camshaft Funds.

Market-Related and Regulatory Risks

Market Disruptions; Governmental Intervention. The global financial markets have in the past decade undergone pervasive and fundamental disruptions that have led to extensive and unprecedented governmental intervention. Such intervention has in certain cases been implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition—as one would expect given the complexities of the financial markets and the limited time frame within which governments have felt compelled to take action—these interventions have typically been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies.

The Camshaft Funds may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Camshaft Funds from its banks, dealers and other counterparties is typically reduced in disrupted markets. Such a reduction may result in substantial losses to the Camshaft Funds. Market disruptions may from time to time cause dramatic losses for the Camshaft Funds, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("<u>Dodd-Frank</u>") seeks to regulate markets, market participants and Financial Instruments that previously have been unregulated and substantially alters the regulation of many other markets, market participants and Financial Instruments. Because the implementation of Dodd-Frank is ongoing, it is difficult to predict the ultimate impact of Dodd-Frank on the Camshaft Funds, the Firm and the markets in

which they trade and invest. Dodd-Frank and regulations adopted pursuant to Dodd-Frank could have a material adverse impact on the profit potential of the Camshaft Funds.

Effect of Speculative Position Limits. The CFTC and the United States commodities exchanges impose limits referred to as "speculative position limits" on the maximum net long or net short speculative positions that any person may hold or control in any particular futures or options contracts traded on United States commodities exchanges. For example, the CFTC currently imposes speculative position limits on a number of agricultural commodities (e.g., corn, oats, wheat, soybeans and cotton) and United States commodities exchanges currently impose speculative position limits on many other commodities. Dodd-Frank significantly expands the CFTC's authority to impose position limits with respect to futures contracts and options on futures contracts, swaps that are economically equivalent to futures or options on futures, and swaps that are traded on a regulated exchange and certain swaps that perform a significant price discovery function. In response to this expansion of its authority, in 2012, the CFTC proposed a series of new speculative position limits with respect to futures and options on futures on so-called "exempt commodities" (which includes most energy and metals contracts) and with respect to agricultural commodities. Those proposed speculative position limits were vacated by a United States District Court, but the CFTC has again proposed a new set of speculative position limit rules which are not yet finalized (or effective). If the CFTC is successful in its second attempt to establish speculative position limits, the size or duration of positions available to the Camshaft Funds may be severely limited. All accounts owned or managed by the Firm are likely to be combined for speculative position limit purposes. Thus, the Camshaft Funds could be required to liquidate positions it holds in order to comply with such limits, or may not be able to fully implement trading instructions in order to comply with such limits. Any such liquidation or limited implementation could result in substantial costs to the Camshaft Funds.

European Market Infrastructure Regulation. The European Market Infrastructure Regulation ("EMIR") introduced certain requirements in respect of derivative contracts, which apply to varying degrees to entities established in the EU, regardless of whether they are transacting with counterparties established in the EU or outside of the EU. As such, where the Camshaft Funds transacts with EU counterparties, they will likely require the transaction to be EMIR-compliant, with the result that the Camshaft Funds becomes subject to additional obligations and/or costs that may not otherwise have applied.

Broadly, EMIR's requirements in respect of derivative contracts are (i) mandatory clearing of OTC derivative contracts declared subject to the clearing obligation; (ii) risk mitigation techniques in respect of uncleared OTC derivative contracts; and (iii) reporting and record-keeping requirements in respect of all derivative contracts. The application of these requirements is dependent on the classification of the counterparties as financial counterparties ("FCs"), non-financial counterparties above the clearing threshold ("NFC+s") or non-financial counterparties below the clearing threshold ("NFC-s").

The EU regulatory framework and legal regime relating to derivatives comprises not only EMIR but also includes a package of legislation, technical standards and related guidance collectively known as MiFID II as described below.

Prospective investors should be aware that there may be ongoing costs (whether direct or indirect) of compliance with EMIR, and that EMIR may adversely affect the Camshaft Funds' ability to engage in certain derivative transactions.

MiFID II. The European Union Markets in Financial Instruments Directive ("<u>MiFID</u>") governs the provision of investment services and activities in relation to, as well as the organized trading of, financial instruments such as shares, bonds, units in collective investment schemes and derivatives. MiFID will be comprehensively revised and replaced by a new EU directive and regulation, collectively referred to as "<u>MiFID II</u>", from January 3, 2018. Although the Camshaft Funds is not organized in the EU, and is not authorized or regulated by any EU member state financial services regulator, certain aspects of MiFID II may have an impact on the Camshaft Funds.

MiFID II imposes certain restrictions as to the trading of shares and derivatives, which could apply to transactions made by or with the Camshaft Funds. Subject to certain conditions and exceptions, the Camshaft Funds may be unable to trade shares or derivatives with affected counterparties other than as provided by MiFID II. MiFID II also applies position limits to the size of a net position that a person can hold at all times in commodity derivatives traded on EU trading venues and in "economically equivalent" OTC derivatives.

More generally, EU regulated firms that have trading relationships with the Camshaft Funds may be obliged by MiFID II to impose certain requirements on the Camshaft Funds, or they may seek to do so contractually, with a view to satisfying their own compliance obligations. It is difficult to predict the full impact of MiFID II on the Camshaft Funds. Prospective investors should also be aware that there may be costs (whether direct or indirect) of compliance with MiFID II.

EU Short Selling Regulation. On November 1, 2012, the EU Regulation on Short Selling and Certain Aspects of Credit Default Swaps (the "SSR") became directly applicable in all member states of the EU. The SSR applies to short sales of, and short positions relating to, the issued share capital of companies whose shares are admitted to trading on a regulated market or multilateral-trading facility in the EU (unless the principal trading venue for the relevant shares is located in a country outside the EU) ("EU listed shares"), among other types of investments. The SSR imposes certain private and public disclosure obligations in respect of short positions in EU listed shares which apply to all natural or legal persons, irrespective of regulatory status, located inside or outside the EU. The SSR also contains prohibitions on uncovered short sales of EU listed shares in certain circumstances. National regulators, and in certain circumstances, the European Securities and Markets Authority, are able to take certain additional emergency measures (including complete bans on short-selling activities) if certain conditions are met. The SSR may prevent the Firm from fully expressing negative views in relation to EU listed shares. Accordingly, the ability of the Firm to implement the investment approach and fulfill the investment objective of the Camshaft Funds may be constrained.

International Investing. Investing outside the United States may involve greater risks than investing in the United States. Investing in emerging and certain non-U.S. markets involves additional risks and special considerations not typically associated with investing in other more established economies or markets. Such risks may include, without limitation: (i) increased risk of nationalization or expropriation of assets or confiscatory taxation; (ii) greater social, economic and

political uncertainty, including civil and ethnic unrest, war, abrupt changes in political and economic power, changes in government institutions and policies or famine; (iii) potentially higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalization of markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) capital controls, such as limitations on the ability to exchange local currencies for U.S. Dollars, and trade restrictions, including quotas, tariffs, customs, duties and other assessments, which may lead to significant costs and delays in obtaining licenses, approvals and authorizations; (viii) increased likelihood of governmental involvement in and control over the economy, issuers and financial markets; (ix) governmental decisions to cease support of economic reform programs or to impose centrally planned economies; (x) preferential treatment of local interests over foreign interests by the government, including legislators, regulators and courts; (xi) differences in auditing and financial reporting standards which may result in the unavailability of reliable, current or detailed information about issuers; (xii) less extensive or more extensive regulation of the markets; (xiii) longer settlement periods for transactions and less reliable clearance and custody arrangements; (xiv) greater correlation to commodity price movements; (xv) imposition of withholding or other taxes on dividends, interest, capital gains, gross sales or disposition proceeds or other income; (xvi) higher transaction costs; and (xvii) certain considerations regarding the maintenance of the Camshaft Funds' securities with non-U.S. brokers and securities depositories. Moreover, non-U.S. companies are generally not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to United States companies.

Non-U.S. markets may also have different clearance and settlement procedures, and in certain markets there have been times when settlements have failed to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Delays in settlement could result in periods when assets of the Camshaft Funds are uninvested and no return is earned thereon. The inability of the Camshaft Funds to make intended security purchases due to settlement problems or the risk of intermediary counterparty failures could cause the Camshaft Funds to miss investment opportunities. The inability to dispose of a security due to settlement problems could result either in losses to the Camshaft Funds due to subsequent declines in the value of such security or, if the Camshaft Funds has entered into a contract to sell the security, could result in possible liability to the purchaser. Transaction costs of buying and selling non-U.S. securities, including brokerage, tax and custody costs, may be higher than those involved in U.S. transactions. Furthermore, many non-U.S. financial markets, while generally growing in volume, have, for the most part, substantially less volume than U.S. markets, and securities of many non-U.S. companies are historically less liquid and their prices historically more volatile than securities of comparable U.S. companies.

The economies of individual non-U.S. countries may also differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, volatility of currency exchange rates, depreciation, capital reinvestment, interest rates, resources, self-sufficiency and balance of payments position.

United Kingdom Membership of the European Union. The United Kingdom ("UK") ceased to be a member of the EU on January 31, 2020 ("Brexit"). During a prescribed period (the "Transition Period"), certain transitional arrangements were in effect, such that the UK continued to be treated, in most respects, as if it were still a member of the EU, and generally remained

subject to EU law. On December 24, 2020, the EU and the UK reached an agreement in principle on the terms of certain agreements and declarations governing the ongoing relationship between the EU and the UK, including the EU-UK Trade and Cooperation Agreement (the "Agreement"), and on December 30, 2020, the Council of the European Union adopted a decision authorizing the signature of the Agreement and its provisional application for a limited period between January 1, 2021 to February 28, 2021, pending ratification of the Agreement by the European Parliament. The Transition Period ended on December 31, 2020. The Agreement is limited in its scope primarily to the trade of goods, transport, energy links and fishing, and uncertainties remain relating to certain aspects of the UK's future economic, trading and legal relationships with the EU and with other countries. The actual or potential consequences of Brexit, and the associated uncertainty, could adversely affect economic and market conditions in the UK, in the EU and its member states and elsewhere, and could contribute to instability in global financial markets.

Current Political Uncertainty. Some of the results of recent elections and referenda have been unexpected and resulted in material market changes and increases in market uncertainty. Given recent changes in administrations and applicable law following such recent elections and referenda, the future of current regulations, or the adopting of new regulations, is also uncertain. While these uncertainties may create investments opportunities for the Camshaft Funds, such uncertainties could alternatively have adverse impacts on the Camshaft Funds. Predicting the outcome of political processes and events is inherently difficult and uncertain. If the Firm fails to anticipate political events or predicts them incorrectly, it may cause the Camshaft Funds to miss investment opportunities or incur losses. There may be detrimental implications for the value of certain of the Camshaft Funds' investments in certain markets, its ability to enter into transactions or to value or realize its investments or otherwise to implement its investment program or the Firm's investment strategies.

Risk of Natural Disasters, Epidemics and Terrorist Attacks. Countries and regions in which the Camshaft Funds invests, where the Firm has offices or where the Camshaft Funds or the Firm otherwise do business are susceptible to natural disasters (e.g., fire, flood, earthquake, storm and hurricane) and epidemics, pandemics or other outbreaks of serious contagious diseases. The occurrence of a natural disaster or epidemic could adversely affect and severely disrupt the business operations, economies and financial markets of many countries (even beyond the site of the natural disaster or epidemic) and could adversely affect the Camshaft Funds' investment program or the Firm's ability to do business. In addition, terrorist attacks, or the fear of or the precautions taken in anticipation of such attacks, could, directly or indirectly, materially and adversely affect certain industries in which the Camshaft Funds invests or could affect the countries and regions in which the Camshaft Funds invests, where the Firm has offices or where the Camshaft Funds or the Firm otherwise do business. Other acts of war (e.g., war, invasion, acts of foreign enemies, hostilities and insurrection, regardless of whether war is declared) could also have a material adverse impact on the financial condition of industries or countries in which the Camshaft Funds invests.

COVID-19. The recent global outbreak of the novel coronavirus (COVID-19) is currently creating unprecedented economic and social uncertainty throughout the world. The ultimate impact of the COVID 19 outbreak is difficult to predict, but it is likely that COVID-19 will have a materially adverse impact on global, national and local economies in the immediate future and that such negative impact is likely to persist for some time. In particular, disruptions to commercial

activity across economies due to the imposition of quarantines, remote working policies, "social distancing" practices and travel restrictions, and/or failures to contain the outbreak despite these measures, could materially and adversely impact the Camshaft Funds' investments. Similar disruptions may occur in respect of the Firm's and the Camshaft Funds' service providers and counterparties (including providers of financing), which could also negatively impact the Camshaft Funds. While there are indications of various governmental responses to the potential negative effects of COVID-19, it is unclear how effective these responses will be and what other impacts such responses may have on the overall performance of markets or the Camshaft Funds.

ERISA Matters. Most pension and profit sharing plans, individual retirement accounts and other tax-advantaged retirement funds are subject to provisions of the Code, ERISA, or both, which may be relevant to a decision as to whether such an investor should invest in the Camshaft Funds. There may, for example, be issues as to whether such an investment is "prudent." Legal counsel should be consulted by such an investor before investing in the Camshaft Funds.

AN INVESTMENT IN CAMSHAFT AND THE CAMSHAFT FUNDS IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. INVESTMENTS INCLUDING THE RISK THAT THE ENTIRE INVESTMENT MAY BE LOST. NO GUARANTEE OR REPRESENTATION IS MADE THAT THE FUNDS' INVESTMENT OBJECTIVES WIL BE ACHIEVED.

Item 9. Disciplinary Information

This Brochure, as dated on page 1, reflects that there are no material legal or disciplinary events that have occurred with respect to Camshaft or management persons within the past 10 years.

<u>Item 10.</u> Other Financial Industry Activities and Affiliations

Camshaft is exempt from registration as a commodity pool operator ("CPO") and a commodity trading advisor ("CTA") with the Commodities Future Trading Commission ("CFTCF").

As described above in Items 5 and 6, Camshaft receives asset-based and performance-based compensation from the Funds. The amounts payable to Camshaft are based directly on the net asset value of the Funds. To the extent that valuation of assets is determined based upon information provided by Camshaft, because there is, for example, no public market price available, there may be a conflict of interest. Camshaft will value such assets in accordance with its valuation policies and procedures.

Camshaft, and other professionals of Camshaft (directly or through its affiliates) may make, and in some cases have made, a capital contribution to one or more of the Funds and, therefore, may be viewed as having an incentive to favor such Funds over other Clients, including pooled investment vehicles in which Camshaft or such persons are not invested (which may include other Camshaft Funds). Camshaft routinely waives the applicable management fees and performance fees for Camshaft-affiliated investors.

Certain of the above conflicts may also be generally addressed through adherence with Camshaft's compliance policies and procedures and its Code of Ethics.

<u>Item 11.</u> Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Camshaft has adopted a Code of Ethics pursuant to Rule 204A-1 under the Advisers Act (the "Code of Ethics"). All "access persons" (including employees, managers and officers) of Camshaft must comply with the Code of Ethics. The Code of Ethics states that Camshaft personnel must always place the interests of Camshaft's Clients first. The Code of Ethics sets forth standards of conduct expected of Camshaft's personnel, which reflect the fiduciary obligations of Camshaft and its personnel to its Clients, and requires Camshaft's personnel to comply with applicable federal securities laws. The Code of Ethics also requires each employee of Camshaft to report potential violations of the Code of Ethics promptly to Camshaft's Chief Compliance Officer (the "CCO"). Camshaft provides each employee with a copy of the Code of Ethics upon commencement of employment and any amendments as required., Employees are required to provide a written acknowledgement that they have received the Code of Ethics, including any amendments no less than annually.

Camshaft's CCO receives copies account statements for all of its access persons who maintain brokerage accounts no less than quarterly. In addition, each access person must submit to the CCO an annual acknowledgement and certification stating that the access person will comply with the Code of Ethics. The Code of Ethics further requires access persons to submit quarterly transaction reports (or duplicate brokerage statements) that detail the access person's securities transactions for each quarter, for the CCO to review. Finally, the Code of Ethics also contains restrictions on the use of insider information and material non-public information regarding Clients.

Camshaft keeps records of reports and other information that access persons are required to submit under the Code of Ethics. The CCO reports on issues that arise under the Code of Ethics to Camshaft's senior management at least annually. Clients and prospective Clients can obtain a copy of the Code of Ethics upon request by contacting Camshaft by telephone at (305) 619-1383 or by email to william@camshaftcapital.com.

As described above in Item 10, Camshaft and certain of its management personnel, employees or affiliates will have a financial interest in investments made by one or more of the Camshaft Funds through their participation in such Funds as a managing member, investment manager, administrative member, director or investor, as applicable. Camshaft and such persons may, therefore, be viewed as having an incentive to favor such Funds over other Clients, including Funds in which such persons are not invested.

In addition, Camshaft may solicit Clients to invest in Camshaft Funds for which Camshaft and certain of its management personnel, employees or affiliates serve as managing member, administrative member, investment manager or director, as applicable, and/or have a financial interest. Additionally, because certain of the Funds for which Camshaft acts as managing member, investment manager or director may invest in other Funds for which Camshaft acts in a similar capacity, Camshaft may be deemed to be recommending to such Funds that they buy securities in which Camshaft and such Camshaft-related persons have a financial interest and/or securities that

Camshaft and such Camshaft-related persons also buys for themselves (*i.e.*, interests in other Funds). To address these potential conflicts, Funds will not bear a double-layering of asset-based fees or performance-based fees in connection with their investment in other Camshaft Funds. Each Fund will, however, be responsible for its *pro rata* share of the expenses of the other Fund in which it invests.

Certain of the above conflicts are generally addressed through adherence to Camshaft's Compliance Manual and its Code of Ethics.

Item 12. Brokerage Practices

Camshaft is responsible for determining what securities will be purchased and sold for each Client and selecting the broker-dealer to execute transactions on behalf of Clients. Purchases and sales of securities for a Client must be made in accordance with the investment objectives, strategies and policies of such Client.

It is Camshaft's policy to seek best execution on behalf of its Clients – that is, Camshaft seeks to achieve the best overall qualitative execution for a Client in a particular circumstance. Best execution is not synonymous with the lowest brokerage commission. Camshaft may cause a Client to pay a brokerage commission in excess of that which another broker might have charged for executing the same transaction if it determines that the commission paid was reasonable in relation to the value of the services provided by the broker.

In seeking to achieve best execution, Camshaft considers the full range and quality of services a broker may provide, including ,but not limited to, the experience and skill of the broker's securities traders; the broker's accessibility to primary markets and quotation services; for NASDAQ securities, whether a broker makes a market in that security; a broker's past history of successful, prompt and reliable execution of client trades; the financial strength and stability of the broker; the broker's administrative efficiency; commission rates; the overall net economic result to a client (involving both price paid or received and any commissions and other costs paid); the security price and its volatility; the size of the transaction, including the ability to effect the transaction at all where a large block is involved; the broker's availability to execute possibly difficult transactions in the future; and the receipt of research services. In addition, for purposes of monitoring best execution, Camshaft generally performs comparisons between executed prices and volume-weighted average prices each trading day for each broker.

Camshaft generally does not utilize "soft dollars" or "pay-up" for research. "Soft dollars" refers to Camshaft's receipt of research or other products or services other than execution from brokers. Camshaft may receive, without cost and unrelated to the execution of securities transactions, a broad range of research services from broker-dealers, including information on the economy, industries, groups of securities and individual companies, statistical information, market data, accounting and legal interpretations, political developments, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis and other information which may affect the economy and/or security prices. Camshaft may also pay broker-dealers and their affiliates for certain specialized data and services, such as benchmark information, that are also unrelated to the execution of securities transactions.

In the event that Camshaft were to receive any "soft dollar" benefits, however, Camshaft expects that they would qualify under the safe harbor provided for under Section 28(e) of the Securities Exchange Act of 1934, as amended. If Camshaft were to use Client brokerage commissions (or markups or markdowns) to obtain "soft dollar" benefits, such as research or other products or services, it would receive a benefit because it does not have to produce or pay for the research, products or services. Consequently, Camshaft would have an incentive to select or recommend a broker-dealer based on its interest in receiving "soft dollar" benefits, rather than on its Clients' interest in receiving most favorable execution.

Camshaft does not consider, in selecting or recommending broker-dealers, any Client referrals it may receive from a broker-dealer or third party. Camshaft does not recommend, request or require that a Client direct the execution of transactions through a specified broker-dealer, nor does it have any arrangement in which it permits a Client to direct transactions to a specific broker-dealer.

Despite the highly customized nature of its advice, Camshaft may on occasion purchase or sell the same securities for more than one Client account at the same time or same day, and in so doing will allocate investment opportunities and trades fairly. "Fair" treatment does not mean identical treatment of all Clients. Rather, it means that Camshaft does not discriminate on an impermissible basis against one Client or group of Clients. When Camshaft transacts securities for more than one Client account, the investment opportunities and trades must be allocated in a manner consistent with Camshaft's fiduciary duties and in accordance with the Firm's investment allocation procedures.

Camshaft may combine or "bunch" orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Camshaft's Clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Camshaft's determination with respect to allocations will be based on what is appropriate under the particular circumstances, and the allocation may be made based upon relevant factors, which may include: (i) cash availability and need; (ii) suitability; (iii) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (iv) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (v) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (vi) with respect to sale allocations, allocations may be given to accounts low in cash; (vii) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, Camshaft may exclude the account(s) from the allocation and the transactions may be executed on a pro rata basis among the remaining accounts; or (viii) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis. For equity investments, generally, each Client will receive the same average price as other participants in the bunched transaction.

Clients may pay more when Camshaft does not aggregate trades, as seeking to place separate, non-simultaneous transactions in the same security for multiple Clients may negatively affect market price, transaction commissions and/or trade execution. A Client's non-participation in bunched trades may result in lost opportunities to execute securities transactions for such Client's account that other Clients participating in bunched trades were able to execute.

Item 13. Review of Accounts

Camshaft's Managing Director and one or more members of Camshaft's investment team review positions in Camshaft Fund accounts on an ongoing basis to monitor the Camshaft Funds' compliance with the investment objectives and guidelines described in the Funds' offering documents. The accounts of Camshaft Fund investors are valued monthly by the administrator, who forwards an account statement to Fund investors on a monthly basis. Investors in the Funds may receive other periodic and annual written reports as set forth in the applicable Fund's offering documents. Camshaft also conducts meetings with Clients and investors in the Funds upon request. Any Managed Account Clients will receive the written reporting provided for in the Managed Account Agreement governing such accounts, if applicable.

<u>Item 14.</u> Client Referrals and Other Compensation

Camshaft does not receive an economic benefit from any person who is not a Client for providing investment advice or other advisory services.

Camshaft may, from time to time, enter into arrangements with third parties for marketing and solicitation activities. If Camshaft pays a cash fee to anyone for soliciting separate account Clients on its behalf, Camshaft will comply with the requirements of the SEC's Marketing Rule (Rule 206(4)-1 under the Advisers Act) to the extent applicable. This rule requires, among other things, a written agreement between the investment adviser and the person soliciting Clients on its behalf, and that the soliciting person provide a disclosure document to the potential Client at the time that the solicitation is made. Camshaft may pay a portion or percentage of the compensation that it receives from Clients for investment advisory services to a third-party, but this will not result in any Client being charged fees at a rate in excess of the rate of fees that Camshaft customarily charges for similar services to comparable accounts, nor will Camshaft charge any Client any other amount for the purpose of offsetting the cost of obtaining an account through a third-party referral.

Item 15. Custody

Generally, Camshaft does not have custody of Client assets other than the assets of the Camshaft Funds. Camshaft acts as managing member or investment manager of the Camshaft Funds and is authorized under the Funds' governing documents to deduct fees from each Fund investor's account. Such powers cause Camshaft to be deemed to have custody of the Camshaft Funds' assets for purposes of the SEC's custody rule. Accordingly, to meet the requirements of the custody rule, the Camshaft Funds are subject to an annual audit in accordance with generally accepted accounting principles conducted by an independent public accountant registered with the Public Company Accounting Oversight Board and the audited financial statements are distributed to investors in the Funds within 90 days of the Funds' fiscal year end (in accordance with rules required of registered commodity pool operators).

In the event that Camshaft has any Managed Account Clients in the future, it generally expects that it will not have custody over the assets of such accounts. Managed Account Clients will receive quarterly account statements from the qualified custodian for their accounts and should carefully review those statements. Camshaft generally will not provide statements to Managed Account Clients, except if specifically requested or in certain limited circumstances. Any Managed Account Clients who receive account statements from Camshaft should compare those statements with the account statements received from the qualified custodian.

Item 16. Investment Discretion

Camshaft has discretionary authority over the investment activities of its Clients. In the case of the Funds, this discretionary authority is generally granted to Camshaft pursuant to the organizational documents of each Fund and/or pursuant to Camshaft's investment advisory agreement with such Fund. For any Managed Account Clients, discretionary authority is granted to Camshaft pursuant to a Managed Account Agreement, which may impose restrictions on this discretion and specify the types of investments permitted. Camshaft is obligated to exercise its investment discretion in a manner consistent with the stated investment objectives, policies, guidelines and restrictions/limitations for a particular Client account.

Item 17. Voting Client Securities

Camshaft has the authority to vote all proxy proposals and corporate actions (collectively, "proxies") on behalf of the Funds it advises, and may be delegated the authority to vote proxies held in any Managed Accounts that it may advise in the future. However, depending on the securities in which its Clients are invested, Camshaft may not frequently vote proxies. To the extent that Camshaft invests in a security for a Client for which a proxy vote may arise and Camshaft receives timely notice of such proxy from the Client's prime broker under the terms of the applicable prime broker agreement, Camshaft is guided by general fiduciary principles and will seek to treat proxies in a manner intended to enhance the overall economic value of the applicable Client's assets. Camshaft may (and often does) refrain from voting a Client's proxy under certain circumstances, including, but not limited to, when (i) the economic effect on shareholder's interests or the value of the portfolio holding is indeterminable or insignificant; (ii) voting the proxy would unduly impair the investment management process; or (iii) the cost of voting the proxies outweighs the benefits or is otherwise impractical. In addition, Camshaft may refrain from voting a proxy on behalf of its Clients' accounts due to (1) de minimis holdings; (2) de minimis impact on the portfolio; (3) items relating to non-U.S. issuers (such as those described below); (4) contractual arrangements with Clients; and/or (5) their authorized delegates or the failure of a proxy to provide sufficient information to allow for informed decision making. For example, Camshaft may refrain from voting a proxy of a non-U.S. issuer due to logistical considerations that may have a detrimental effect on Camshaft's ability to vote the proxy. These issues may include, but are not limited to: (a) proxy statements and ballots being written in a foreign language; (b) untimely notice of a shareholder meeting; (c) requirements to vote proxies in person; (d) restrictions on non-U.S. person's ability to exercise votes; (e) restrictions on the sale of securities for a period of time in proximity to the shareholder meeting (e.g., share blocking); or (f) requirements to provide local agents with power of attorney to facilitate the voting instructions. Any actual or apparent conflict of interest between the interests of Camshaft and its Clients is

resolved in a manner that is consistent with the best interests of Clients and in a manner not affected by such actual or apparent conflict of interest.

Camshaft currently does not permit Clients to direct its vote in a particular solicitation.

<u>Item 18.</u> Financial Information

Currently, there is no financial condition that is reasonably likely to impair our ability to meet contractual commitments to Clients.

EXHIBIT 21

Case 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 115 of 410 **FORM ADV**

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Prin	mary Business Name: CAMSHAFT (CAPITAL ADVISORS LLC			CRD Number: 322577
Oth	ner-Than-Annual Amendment - All S	Sections			Rev. 10/2021
4/1	18/2023 4:07:32 PM				
WA	ARNING: Complete this form truthfu	•	•	ial of your application, revocation of See Form ADV General Instruction	
Iter	m 1 Identifying Information	sp time term apaatea by th	g periodio diniendinienter		
	sponses to this Item tell us who you	Laro, whore you are doing	a business, and how we can	a contact you. If you are filing an a	umbrolla registration, the
	formation in Item 1 should be provide	,	9	3 3	3
A.	Your full legal name (if you are a s CAMSHAFT CAPITAL ADVISORS		first, and middle names):		
B.	(1) Name under which you primari CAMSHAFT CAPITAL ADVISORS		ousiness, if different from It	em 1.A.	
	List on Section 1.B. of Schedule D a	any additional names under	r which you conduct your ad	visory business.	
	(2) If you are using this Form ADV	/ to register more than on-	e investment adviser under	an <i>umbrella registration</i> , check this	s box 🗆
	If you check this box, complete a So	chedule R for each relying a	adviser.		
C.	If this filing is reporting a change in name change is of ☐ your legal name or ☐ your prime		.A.) or primary business na	me (Item 1.B.(1)), enter the new i	name and specify whether the
D.	(2) If you report to the SEC as an (3) If you have one or more Centr	exempt reporting adviser,	your SEC file number:		
	CIK Number				
	1822044				
E.	(1) If you have a number (" <i>CRD</i> Nu	umber") assigned by the I	FINRA's CRD system or by th	he IARD system, your <i>CRD</i> number:	322577
	If your firm does not have a CRD กเ	ımber, skip this Item 1.E. L	Do not provide the CRD num	nber of one of your officers, employee	es, or affiliates.
	(2) If you have additional <i>CRD</i> Nur	mbers, your additional <i>CRI</i>	D numbers:		
	(2) yeu aude e	The set of year additional end	No Information Filed	1	
F.	Principal Office and Place of Busines	ne.			
١.	(1) Address (do not use a P.O. Bo				
	Number and Street 1:	<i>'</i> ^).	Number and Street	t 2:	
		rate:	Country:	ZIP+4/Postal Code:	
	If this address is a private res	sidence, check this box: 🗹	1		
	you are applying for registratio which you are applying for regi.	on, or are registered, with o istration or with whom you a as an exempt reporting adv	one or more state securities a are registered. If you are ap _l	e of business, at which you conduct in authorities, you must list all of your aplying for SEC registration, if you are five offices in terms of numbers of e	offices in the state or states to e registered only with the SEC, or
	(2) Days of week that you norma • Monday - Friday • Other:	lly conduct business at yo	our principal office and place	of business:	
	Normal business hours at this 9-5	location:			
	(3) Telephone number at this loca 305-619-1383	ation:			

(5) What is the total number of offices, other than your principal office and place of business, at which you conduct investment advisory business as of

(4) Facsimile number at this location, if any:

the end of your most recently completed fiscal year?

G.	Mailing address, if differen	t from you Casa :24+5	50013nBloSce D004423 adFiled:02/29	/24 Page 116 of 410		
	Number and Street 1:		Number and Street 2:			
	City:	State:	Country:	ZIP+4/Postal Code:		
	If this address is a private	e residence, check this	s box: 🗖			
Н.	If you are a sole proprieto	r, state your full reside	dence address, if different from your <i>princ</i>	cipal office and place of business address in Item 1.F.:		
	Number and Street 1:		Number and Street 2:			
	City:	State:	Country:	ZIP+4/Postal Code:		
I.	•	websites or accounts o	on publicly available social media platfor	ms (including, but not limited to, Twitter, Facebook a		No C
	If a website address serves addresses for all of the othe available social media platfo	as a portal through wher information. You may orms where you do not	which to access other information you have ay need to list more than one portal addres t control the content. Do not provide the ind	ublicly available social media platforms on Section 1.1. of published on the web, you may list the portal without la s. Do not provide the addresses of websites or accounts dividual electronic mail (e-mail) addresses of employees	listing s on publ	
	addresses of employee acco	ounts on publicly availal	able social media platforms.			
J.	Chief Compliance Officer					
			f your Chief Compliance Officer. If you are you have one. If not, you must complete	e an <i>exempt reporting adviser</i> , you must provide the c Item 1.K. below.	ontact	
	Name:		Other titles, if any:			
	Telephone number:		Facsimile number, if an	y:		
	Number and Street 1:		Number and Street 2:			
	City:	State:	Country:	ZIP+4/Postal Code:		
	Electronic mail (e-mail) ad	ddress, if Chief Compli	iance Officer has one:			
K.	Name: IRS Employer Identification Additional Regulatory Con- about this Form ADV, you	n Number: tact Person: If a perso		er is authorized to receive information and respond t	:o questi	ions
	Name:		Titles:			
	Telephone number:		Facsimile number, if an	W·		
	Number and Street 1:		Number and Street 2:	y.		
	City:	State:	Country:	ZIP+4/Postal Code:		
	•		•			
	Electronic mail (e-mail) ad	ddress, if contact perso	son has one:		Voc	. No
ı	Do you maintain some or	all of the books and re	ocards you are required to keep under So	action 204 of the Advisors Act, or similar state law		
L.	somewhere other than yo		·	ection 204 of the Advisers Act, or similar state law,	•	0
	If "yes," complete Section 1	1.L. of Schedule D.				
M.	Are you registered with a	foreign financial regula	atory authority?			s No ⊙
	Answer "no" if you are not regulatory authority. If "yes			ou have an affiliate that is registered with a foreign finan	ncial	
					Yes	No.
N.	Are you a public reporting	company under Section	ons 12 or 15(d) of the Securities Exchanç	ge Act of 1934?	0	\odot
					Yes	. No
Ο.	If yes, what is the approxi	mate amount of your	e last day of your most recent fiscal year? assets:	?	0	•
	S1 billion to less than	\$10 billion				
	C \$10 billion to less tha	n \$50 billion				
	C \$50 billion or more					

		to your total assets, rai	_	Page 117 of 410 anage on behalf of clients. Determine your total assets using
Р.	Provide your <i>Legal Entity Identifier</i> if you have 2549009MHH5W7AC6Y541	one:		
	A legal entity identifier is a unique number that identifier.	companies use to ider	ntify each other in the fina	ncial marketplace. You may not have a legal entity
SEC	TION 1.B. Other Business Names			
		No I	Information Filed	
SEC	TION 1.F. Other Offices			
		No I	Information Filed	
SEC	TION 1.I. Website Addresses			
lim soc	nited to, Twitter, Facebook and/or LinkedIn). Yo cial media platform.	u must complete a sep	parate Schedule D Section	atforms where you control the content (including, but not 1.1. for each website or account on a publicly available
Au	dress of Website/Account on Publicly Available		https://www.camshaftca	apital.com/
SEC	TION 1.L. Location of Books and Records			
	mplete the following information for each locat ust complete a separate Schedule D, Section 1.1		your books and records, o	ther than your <i>principal office and place of business</i> . You
	me of entity where books and records are kept EX FUND SERVICES	t:		
	mber and Street 1: 0 E 52ND STREET		Number and Street 2: SUITE 4003	
Cit NE	y: W YORK	State: New York	Country: United States	ZIP+4/Postal Code: 10022
lf ·	this address is a private residence, check this b	ох: 🗖		
	lephone Number: 6-517-1490	Facsimile number, if a	any:	
	is is (check one): one of your branch offices or affiliates.			
•	a third-party unaffiliated recordkeeper.			
0	other.			
	efly describe the books and records kept at thing RTAIN BOOKS AND RECORDS RELATED TO THE I		FIRM, INCLUDING CERTAIN	OF THOSE RELATED TO REGULATORY COMPLIANCE. ALSO,

SECTION 1.M. Registration with Foreign Financial Regulatory Authorities

POSSESSION OF APEX FUND SERVICES, CLIENT'S GENERAL LEDGER AND AUDITED FINANCIAL STATEMENTS.

No Information Filed

AS AN ADMINISTRATOR FOR THE FIRM'S CLIENT, APEX FUND SERVICES KEEPS SEVERAL TYPES OF BOOKS AND RECORDS INCLUDING BUT NOT LIMITED TO: REGISTER OF INVESTORS, THE RECORDS OF INVESTORS CONTRIBUTIONS, ORIGINAL CORRESPONDENCE OR OTHER COMMUNICATIONS THAT ARE IN

Item	2 S	EC Re	egistration/Reporting	ase 24-50013-BLS Doc 42-2	Filed 02/29/24	Page 118 of 410	
SEC	regis	strati		letermine whether you are eligible to odating amendment to your SEC regist y.	-	•	
Α.	annı prov	ual uµ vides	odating amendment to your SE	the SEC, you must check at least on C registration and you are no longer mine whether you may affirmatively	eligible to registe	er with the SEC, check	•
	V	(1)	are a large advisory firm th	at either:			
			(a) has regulatory assets und	der management of \$100 million (in L	J.S. dollars) or mo	ore; or	
			(b) has regulatory assets und amendment and is registed	der management of \$90 million (in U.Sered with the SEC;	S. dollars) or mor	e at the time of filing i	ts most recent annual updating
		(2)	_	m that has regulatory assets under r	management of \$	25 million (in U.S. doll	ars) or more but less than \$100
			(a) not required to be regist of business; or	ered as an adviser with the <i>state sec</i>	urities authority o	f the state where you	maintain your <i>principal office and place</i>
			(b) not subject to examination	on by the <i>state securities authority</i> of	the state where y	ou maintain your <i>prin</i>	cipal office and place of business;
			Click HERE for a list of sta authority.	ites in which an investment adviser, if i	registered, would i	not be subject to exam	ination by the state securities
		(3)	Reserved				
		(4)	have your <i>principal office and</i>	place of business outside the United	States;		
		(5)	are an investment adviser (or subadviser) to an investment co	mpany registered	d under the Investmen	it Company Act of 1940;
		(6)		o a company which has elected to b			
				1940 and has not withdrawn the elec			
		(7)	are a pension consultant wir in rule 203A-2(a);	th respect to assets of plans having a	an aggregate valu	ue of at least \$200,000	0,000 that qualifies for the exemption
		(8)		rule 203A-2(b) that controls, is controly your principal office and place of busing	•		
			If you check this box, complet	e Section 2.A.(8) of Schedule D.			
		(9)	are an adviser relying on rul	e 203A-2(c) because you expect to b	e eligible for SE	C registration within	120 days;
			If you check this box, complet	e Section 2.A.(9) of Schedule D.			
		(10)	are a multi-state adviser the	at is required to register in 15 or mor	re states and is re	elying on rule 203A-2(c	3);
			If you check this box, complet	e Section 2.A.(10) of Schedule D.			
		(11)	are an Internet adviser rely	ing on rule 203A-2(e);			
		(12)	have received an SEC order	exempting you from the prohibition	against registration	on with the SEC;	
			If you check this box, complet	e Section 2.A.(12) of Schedule D.			
		(13)	are no longer eligible to ren	nain registered with the SEC.			
Sta	te Se	curi	ties Authority Notice Filings	and State Reporting by Exempt Rep	porting Advisers		
C.			<u> </u>	sers may be required to provide to s		. •	
				ice filings. In addition, exempt reporting Tile with the SEC. If this is an initial a	-	·	state securities authorities with a copy
							direct your <i>notice filings</i> or reports to
				next to the state(s) that you would li			equent filings or reports you submit that currently receive them, uncheck
			es) next to those state(s).	your registration to stop your notice	Tillings of Teports	morn going to state(s)	that currently receive them, uncheck
		isdict	tions	п	T		П.,
		AL AK		□ IL □ IN	□ NE □ NV		□ sc □ sd
		AK AZ			□ NH		□ TN
		AR		□ KS	□ NJ		
		CA		□ KY	□ NM		□ UT
		СО		□ LA	□ NY		□ VT
		СТ		□ ме	□ NC		□ vı

│	∥ □ MD	∥ □ ND	□ VA
□ DC	Ca se 24-50013-BLS Doc 42	-2 Filed 92/29/24 Page 119 of 410	□ WA
□ FL	□ MI	ОК	□ wv
☐ GA	□ MN	OR	□ wı
□ GU	□ MS	∏ PA	□ WY
□ н	□ мо	□ PR	
□ ID	□ MT	∥ □ _{RI}	
state's notice filing or report filing fee		s from going to a state that currently receives ent must be filed before the end of the year (D	-
SECTION 2.A.(8) Related Adviser			
	•	on registration because you <i>control</i> , are <i>cont</i> pal office and place of business is the same as	•
Name of Registered Investment Adviser			
CRD Number of Registered Investment A	dviser		
SEC Number of Registered Investment A	dviser		
SECTION 2.A.(9) Investment Adviser Ex	pecting to be Eligible for Commi	ission Registration within 120 Days	
If you are relying on rule 203A-2(c), the	exemption from the prohibition on ke certain representations about y	registration available to an adviser that expour eligibility for SEC registration. By checki	
	registered with the SEC or a state	e securities authority and I have a reasonable	e expectation that I will be eligible to
	gistration if, on the 120th day after	r my registration with the SEC becomes effe	ctive, I would be prohibited by Section
SECTION 2.A.(10) Multi-State Adviser			
	•	n the prohibition on registration, you are recess, you will be deemed to have made the recess.	•
		you must make both of these representation ded that I am required by the laws of 15 or	
investment adviser with the state sec	urities authorities in those states.	this registration indicating that I would be	
states to register as an investment a			equired by the laws of fewer than 13
If you are submitting your annual updatir	ng amendment, you must make this	s representation:	
		yed the applicable state and federal laws and yith the state securities authorities in those s	
SECTION 2.A.(12) SEC Exemptive Orde	er		
If you are relying upon an SEC order exec	mpting you from the prohibition or	registration, provide the following informat	ion:
Application Number:			
803-			
Date of <i>order</i> :			
Item 3 Form of Organization			
If you are filing an umbrella registration, the	ne information in Item 3 should be	provided for the <i>filing adviser</i> only.	
A. How are you organized?			
Corporation			

	If you are changing your response to this Itom, see Part 1A Instruction 4
	If you are changing your response to this Item, see Part 1A Instruction 4.
B.	In what month does your fiscal year end each year? DECEMBER
C.	Under the laws of what state or country are you organized? State Country Florida United States
	If you are a partnership, provide the name of the state or country under whose laws your partnership was formed. If you are a sole proprietor, provide the name of the state or country where you reside.
	If you are changing your response to this Item, see Part 1A Instruction 4.
Iter	n 4 Successions
A.	Are you, at the time of this filing, succeeding to the business of a registered investment adviser, including, for example, a change of your structure or legal status (e.g., form of organization or state of incorporation)?
	If "yes", complete Item 4.B. and Section 4 of Schedule D.
B.	Date of Succession: (MM/DD/YYYY)
	If you have already reported this succession on a previous Form ADV filing, do not report the succession again. Instead, check "No." See Part 1A Instruction 4.
SEC	TION 4 Successions
	No Information Filed

Case 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 120 of 410

Item 5 Information About Your Advisory Business - Employees, Clients, and Compensation

Responses to this Item help us understand your business, assist us in preparing for on-site examinations, and provide us with data we use when making regulatory policy. Part 1A Instruction 5.a. provides additional guidance to newly formed advisers for completing this Item 5.

Employees

5

Sole Proprietorship

Other (specify):

Limited Liability Company (LLC)

Limited Partnership (LP)

Partnership

If you are organized as a sole proprietorship, include yourself as an employee in your responses to Item 5.A. and Items 5.B.(1), (2), (3), (4), and (5). If an employee performs more than one function, you should count that employee in each of your responses to Items 5.B.(1), (2), (3), (4), and (5).

- Approximately how many employees do you have? Include full- and part-time employees but do not include any clerical workers.
- (1) Approximately how many of the *employees* reported in 5.A. perform investment advisory functions (including research)?
 - (2) Approximately how many of the employees reported in 5.A. are registered representatives of a broker-dealer?
 - Approximately how many of the employees reported in 5.A. are registered with one or more state securities authorities as investment adviser representatives?
 - (4) Approximately how many of the employees reported in 5.A. are registered with one or more state securities authorities as investment adviser
 - representatives for an investment adviser other than you?
 - Approximately how many of the employees reported in 5.A. are licensed agents of an insurance company or agency?

(6) Approximately how many firms or other persons solicit advisory clients on your behalf? Case 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 121 of 410

In your response to Item 5.B. (6), do not count any of your employees **and count a firm only once – do not count each of the firm's** employees that solicit on your behalf.

Clients

(7) Other (specify):

In your responses to Items 5.C. and 5.D. do not include as "clients" the investors in a private fund you advise, unless you have a separate advisory relationship with those investors.

- C. (1) To approximately how many *clients* for whom you do not have regulatory assets under management did you provide investment advisory services during your most recently completed fiscal year?
 - (2) Approximately what percentage of your *clients* are non-*United States persons*? 0%
- D. For purposes of this Item 5.D., the category "individuals" includes trusts, estates, and 401(k) plans and IRAs of individuals and their family members, but does not include businesses organized as sole proprietorships.

The category "business development companies" consists of companies that have made an election pursuant to section 54 of the Investment Company Act of 1940. Unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940, do not answer (1)(d) or (3)(d) below.

Indicate the approximate number of your *clients* and amount of your total regulatory assets under management (reported in Item 5.F. below) attributable to each of the following type of *client*. If you have fewer than 5 *clients* in a particular category (other than (d), (e), and (f)) you may check Item 5.D.(2) rather than respond to Item 5.D.(1).

The aggregate amount of regulatory assets under management reported in Item 5.D.(3) should equal the total amount of regulatory assets under management reported in Item 5.F.(2)(c) below.

If a *client* fits into more than one category, select one category that most accurately represents the *client* to avoid double counting *clients* and assets. If you advise a registered investment company, business development company, or pooled investment vehicle, report those assets in categories (d), (e), and (f) as applicable.

Type of <i>Client</i>	(1) Number of Client(s)	(2) Fewer than 5 Clients	(3) Amount of Regulatory Assets under Management
(a) Individuals (other than high net worth individuals)			\$
(b) High net worth individuals			\$
(c) Banking or thrift institutions			\$
(d) Investment companies			\$
(e) Business development companies			\$
(f) Pooled investment vehicles (other than investment companies and business development companies)	1		\$ 595,845,395
(g) Pension and profit sharing plans (but not the plan participants or government pension plans)			\$
(h) Charitable organizations			\$
(i) State or municipal <i>government entities</i> (including government pension plans)			\$
(j) Other investment advisers			\$
(k) Insurance companies			\$
(I) Sovereign wealth funds and foreign official institutions			\$
(m) Corporations or other businesses not listed above			\$
(n) Other:			\$

Com	oen	satio	n Arrangements
E. \	/ou	are c	ompensated for your investment advisory services by (check all that apply):
	V	(1)	A percentage of assets under your management
		(2)	Hourly charges
		(3)	Subscription fees (for a newsletter or periodical)
		(4)	Fixed fees (other than subscription fees)
		(5)	Commissions
	V	(6)	Performance-based fees

Iten	n 5 Information About Your Advisory Busine Case 24	ss - Regulatory Assets Under Mai	nagement	
Reg	gulatory Assets Under Management	F-30013-BES BUC 42-2 THE	:u 02/29/24	
				Yes No
F.	(1) Do you provide continuous and regular so	upervisory or management service	es to securities portfolios?	⊙ ○
	(2) If yes, what is the amount of your regula	· ·	nd total number of accounts?	
		U.S. Dollar Amount	Total Number of Accounts	
	Discretionary:	(a) \$ 595,845,395	(d) 1	
	Non-Discretionary:	(b) \$ 0	(e) 0	
	Total:	(c) \$ 595,845,395	(f) 1	
	Part 1A Instruction 5.b. explains how to concepting this Item.	alculate your regulatory assets unde	er management. You must follow these instructions carefully whe	ə n
	(3) What is the approximate amount of your are non-<i>United States persons</i>?\$ 0	total regulatory assets under man	agement (reported in Item 5.F.(2)(c) above) attributable to <i>cl</i>	<i>ients</i> who
Iten	n 5 Information About Your Advisory Busine	ss - Advisory Activities		
Adv	visory Activities			
G.	What type(s) of advisory services do you pro	vide? Check all that apply.		
	(1) Financial planning services(2) Portfolio management for individua			
			ss development companies" that have made an election pursu	iant to
	section 54 of the Investment Comp	•	as development companies that have made an election parsa	idili to
	(4) Portfolio management for pooled in		•	
		ses (other than small businesses)	or institutional <i>clients</i> (other than registered investment comp	anies and
	other pooled investment vehicles) (6) Pension consulting services			
	(7) Selection of other advisers (includi	ng <i>private fund</i> managers)		
	[(8) Publication of periodicals or newsle			
	(9) Security ratings or pricing services (10) Market timing services			
	(10) Market timing services(11) Educational seminars/workshops			
	(12) Other(specify):			
		s a subadviser. If you check Item 5.	vestment advisory contract to an investment company registered G.(3), report the 811 or 814 number of the investment company D.	
H.	If you provide financial planning services, to	how many <i>clients</i> did you provide	these services during your last fiscal year?	
	O 0			
	O 1 - 10			
	O 11 - 25			
	O 26 - 50			
	O 51 - 100			
	O 101 - 250			
	O 251 - 500			
	More than 500			
	If more than 500, how many? (round to the nearest 500)			
	(realize the file liber est)			
		lude as "clients" the investors in a	private fund you advise, unless you have a separate advisory rela	ationship
	with those investors.			
				Voc Ni-
	(1) De veu portisinate in a uman fee programa?			Yes No
l.	(1) Do you participate in a wrap fee program?			0 0
		hat is the amount of your regulat	ory assets under management attributable to acting as:	
	(a) sponsor to a wrap fee program			
	\$ (b) portfolio manager for a <i>wrap fee progra</i>	um?		
	(b) portiono manager for a wrap ree progra	III:		
	(c) <i>sponsor</i> to and portfolio manager for the	ne same wrap fee program?		
	\$.		

If you report an amount in Item 5.1.(2)(c), do not report that amount in Item 5.1.(2)(a) or Item 5.1.(2)(b).

	If you are a portfolio manager for a wrange 24599123 BluS nal Posco 212 profiled 924291246 ns 83990 1230 1410 rmation in Section 5.1.(2) of Sch	nedule	D.
	If your involvement in a wrap fee program is limited to recommending wrap fee programs to your clients, or you advise a mutual fund that is offered wrap fee program, do not check Item 5.I.(1) or enter any amounts in response to Item 5.I.(2).	throug	gh a
J.	(1) In response to Item 4.B. of Part 2A of Form ADV, do you indicate that you provide investment advice only with respect to limited types of investments?		o No ⊙
	(2) Do you report <i>client</i> assets in Item 4.E. of Part 2A that are computed using a different method than the method used to compute your regulatory assets under management?	0	•
K.	Separately Managed Account Clients	Yes	s No
	(1) Do you have regulatory assets under management attributable to <i>clients</i> other than those listed in Item 5.D.(3)(d)-(f) (separately managed account <i>clients</i>)?	0	•
	If yes, complete Section 5.K.(1) of Schedule D.		
	(2) Do you engage in borrowing transactions on behalf of any of the separately managed account clients that you advise?	0	0
	If yes, complete Section 5.K.(2) of Schedule D.		
	(3) Do you engage in derivative transactions on behalf of any of the separately managed account clients that you advise?	0	0
	If yes, complete Section 5.K.(2) of Schedule D.		
	(4) After subtracting the amounts in Item 5.D.(3)(d)-(f) above from your total regulatory assets under management, does any custodian hold ten percent or more of this remaining amount of regulatory assets under management?	0	0
	If yes, complete Section 5.K.(3) of Schedule D for each custodian.		
L.	Marketing Activities	Vos	s No
	(1) Do any of your advertisements include:	163	S INO
	(a) Performance results?	•	0
	(b) A reference to specific investment advice provided by you (as that phrase is used in rule 206(4)-1(a)(5))?	0	•
	(c) Testimonials (other than those that satisfy rule 206(4)-1(b)(4)(ii))?	0	•
	(d) Endorsements (other than those that satisfy rule 206(4)-1(b)(4)(ii))?	0	•
	(e) Third-party ratings?	0	•
	(2) If you answer "yes" to L(1)(c), (d), or (e) above, do you pay or otherwise provide cash or non-cash compensation, directly or indirectly, in connection with the use of <i>testimonials</i> , <i>endorsements</i> , or <i>third-party ratings</i> ?	0	0
	(3) Do any of your advertisements include hypothetical performance?	0	•
	(4) Do any of your advertisements include predecessor performance?	0	•
SEC	TION 5.G.(3) Advisers to Registered Investment Companies and Business Development Companies		
	No Information Filed		

SECTION 5.K.(1) Separately Managed Accounts

SECTION 5.1.(2) Wrap Fee Programs

After subtracting the amounts reported in Item 5.D.(3)(d)-(f) from your total regulatory assets under management, indicate the approximate percentage of this remaining amount attributable to each of the following categories of assets. If the remaining amount is at least \$10 billion in regulatory assets under

No Information Filed

management, complete Question (a). If the remaining amount is less than \$10 billion in regulatory assets under management, complete Question (b).

Case 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 124 of 410

Any regulatory assets under management reported in Item 5.D.(3)(d), (e), and (f) should not be reported below.

If you are a subadviser to a separately managed account, you should only provide information with respect to the portion of the account that you subadvise.

End of year refers to the date used to calculate your regulatory assets under management for purposes of your *annual updating amendment*. Mid-year is the date six months before the end of year date. Each column should add up to 100% and numbers should be rounded to the nearest percent.

Investments in derivatives, registered investment companies, business development companies, and pooled investment vehicles should be reported in those categories. Do not report those investments based on related or underlying portfolio assets. Cash equivalents include bank deposits, certificates of deposit, bankers' acceptances and similar bank instruments.

Some assets could be classified into more than one category or require discretion about which category applies. You may use your own internal methodologies and the conventions of your service providers in determining how to categorize assets, so long as the methodologies or conventions are consistently applied and consistent with information you report internally and to current and prospective clients. However, you should not double count assets, and your responses must be consistent with any instructions or other guidance relating to this Section.

a) Ass	et Type	Mid-year	End of year
(i)	Exchange-Traded Equity Securities	%	%
(ii)	Non Exchange-Traded Equity Securities	%	%
(iii)	U.S. Government/Agency Bonds	%	%
(iv)	U.S. State and Local Bonds	%	%
(v)	Sovereign Bonds	%	%
(vi)	Investment Grade Corporate Bonds	%	%
(vii)	Non-Investment Grade Corporate Bonds	%	%
(viii)	Derivatives	%	%
(ix)	Securities Issued by Registered Investment Companies or Business Development Companies	%	%
(x)	Securities Issued by Pooled Investment Vehicles (other than Registered Investment Companies or Business Development Companies)	%	%
(xi)	Cash and Cash Equivalents	%	%
(xii)	Other	%	%

Generally describe any assets included in "Other"

Ass	et Type	End of year
(i)	Exchange-Traded Equity Securities	%
(ii)	Non Exchange-Traded Equity Securities	%
(iii)	U.S. Government/Agency Bonds	%
(iv)	U.S. State and Local Bonds	%
(v)	Sovereign Bonds	%
(vi)	Investment Grade Corporate Bonds	%
(vii)	Non-Investment Grade Corporate Bonds	%
(viii)	Derivatives	%
(ix)	Securities Issued by Registered Investment Companies or Business Development Companies	%
(x)	Securities Issued by Pooled Investment Vehicles (other than Registered Investment Companies or Business Development Companies)	%
(xi)	Cash and Cash Equivalents	%
(xii)	Other	%

Generally describe any assets included in "Other"

SECTION 5.K.(2) Separately Managed Accounts - Use of *Borrowings* and Derivatives

☐ No information is required to be reported in this Section 5.K.(2) per the instructions of this Section 5.K.(2)

If your regulatory assets under management attributable to separately managed accounts are at least \$10 billion, you should complete Question (a). If your regulatory assets under management attributable to separately managed accounts are at least \$500 million but less than \$10 billion, you should complete Question (b).

(a) In the table below, provide the following information regarding the separately managed accounts you advise. If you are a subadviser to a separately managed account, you should only pcase 2450013rBluSh respect 2922 to File 102/2924 colleges 2505 410 vise. End of year refers to the date used to calculate your regulatory assets under management for purposes of your annual updating amendment. Mid-year is the date six months before the end of year date.

In column 1, indicate the regulatory assets under management attributable to separately managed accounts associated with each level of gross notional exposure. For purposes of this table, the gross notional exposure of an account is the percentage obtained by dividing (i) the sum of (a) the dollar amount of any *borrowings* and (b) the *gross notional value* of all derivatives, by (ii) the regulatory assets under management of the account.

In column 2, provide the dollar amount of borrowings for the accounts included in column 1.

In column 3, provide aggregate *gross notional value* of derivatives divided by the aggregate regulatory assets under management of the accounts included in column 1 with respect to each category of derivatives specified in 3(a) through (f).

You may, but are not required to, complete the table with respect to any separately managed account with regulatory assets under management of less than \$10,000,000.

Any regulatory assets under management reported in Item 5.D.(3)(d), (e), and (f) should not be reported below.

(i) Mid-Year

Gross Notional Exposure	(1) Regulatory Assets Under Management	(2) Borrowings		(3)	Derivative E	Exposures		
			(a) Interest Rate Derivative	(b) Foreign Exchange Derivative	(c) Credit Derivative	(d) Equity Derivative	(e) Commodity Derivative	(f) Other Derivative
Less than 10%	\$	\$	%	%	%	%	%	%
10-149%	\$	\$	%	%	%	%	%	%
150% or more	\$	\$	%	%	%	%	%	%

Optional: Use the space below to provide a narrative description of the strategies and/or manner in which *borrowings* and derivatives are used in the management of the separately managed accounts that you advise.

(ii) End of Year

Gross Notional Exposure	(1) Regulatory Assets Under Management	(2) Borrowings		(3)	Derivative E	xposures		
			(a) Interest Rate Derivative	(b) Foreign Exchange Derivative	(c) Credit Derivative	(d) Equity Derivative		(f) Other Derivative
Less than 10%	\$	\$	%	%	%	%	%	%
10-149%	\$	\$	%	%	%	%	%	%
150% or more	\$	\$	%	%	%	%	%	%

Optional: Use the space below to provide a narrative description of the strategies and/or manner in which *borrowings* and derivatives are used in the management of the separately managed accounts that you advise.

(b) In the table below, provide the following information regarding the separately managed accounts you advise as of the date used to calculate your regulatory assets under management for purposes of your *annual updating amendment*. If you are a subadviser to a separately managed account, you should only provide information with respect to the portion of the account that you subadvise.

In column 1, indicate the regulatory assets under management attributable to separately managed accounts associated with each level of gross notional exposure. For purposes of this table, the gross notional exposure of an account is the percentage obtained by dividing (i) the sum of (a) the dollar amount of any *borrowings* and (b) the *gross notional value* of all derivatives, by (ii) the regulatory assets under management of the account.

In column 2, provide the dollar amount of borrowings for the accounts included in column 1.

You may, but are not required to, complete the table with respect to any separately managed accounts with regulatory assets under management of less than \$10,000,000.

Any regulatory assets under management reported in Item 5.D.(3)(d), (e), and (f) should not be reported below.

Gross Notional Exposure	(1) Regulatory Assets Under Management	(2) Borrowings
Less than 10%	\$	\$
10-149%	\$	\$
150% or more	\$	\$

	Opt mar	ional: Use the space below to provide a partative description of the strategies and/or manner in which borrowings and derivatives are used in agement of the separately managed accounts that you advise.	n the
SEC	TION	N 5.K.(3) Custodians for Separately Managed Accounts	
		No Information Filed	
Itor	m 6 C	Other Business Activities	
		tem, we request information about your firm's other business activities.	
A.	You	are actively engaged in business as a (check all that apply): (1) broker-dealer (registered or unregistered) (2) registered representative of a broker-dealer (3) commodity pool operator or commodity trading advisor (whether registered or exempt from registration) (4) futures commission merchant (5) real estate broker, dealer, or agent (6) insurance broker or agent (7) bank (including a separately identifiable department or division of a bank) (8) trust company (9) registered municipal advisor (10) registered security-based swap dealer (11) major security-based swap participant (12) accountant or accounting firm (13) lawyer or law firm (14) other financial product salesperson (specify):	
	If y	ou engage in other business using a name that is different from the names reported in Items 1.A. or 1.B.(1), complete Section 6.A. of Schedule D.	Yes No
B.	(1)	Are you actively engaged in any other business not listed in Item 6.A. (other than giving investment advice)?	0 0
	(2)	If yes, is this other business your primary business?	0 0
		If "yes," describe this other business on Section 6.B.(2) of Schedule D, and if you engage in this business under a different name, provide that no	
	(3)	Do you sell products or provide services other than investment advice to your advisory clients?	Yes No
		If "yes," describe this other business on Section 6.B.(3) of Schedule D, and if you engage in this business under a different name, provide that no	ame.
SEC	TION	N 6.A. Names of Your Other Businesses	
		No Information Filed	
SEC	OIT	V 6.B.(2) Description of Primary Business	
		e your primary business (not your investment advisory business):	
lf y	ou e	ngage in that business under a different name, provide that name:	
SEC	TION	N 6.B.(3) Description of Other Products and Services	
		e other products or services you sell to your <i>client</i> . You may omit products and services that you listed in Section 6.B.(2) above.	
lf y	ou e	ngage in that business under a different name, provide that name:	
Iter	n 7 F	inancial Industry Affiliations	
		tem, we request information about your financial industry affiliations and activities. This information identifies areas in which conflicts of interestween you and your <i>clients</i> .	est may
Α.	adv	s part of Item 7 requires you to provide information about you and your <i>related persons</i> , including foreign affiliates. Your <i>related persons</i> are all is index is under common control with you. I have a related person that is a (check all that apply):	l of your
		(1) broker-dealer, municipal securities dealer, or government securities broker or dealer (registered or unregistered)(2) other investment adviser (including financial planners)	

	(3) registered municipal advisor (4) registered security-based Gase 24sti0013-BLS Doc 42-2 Filed 02/29/24 Page 127 of 410 (5) major security-based swap participant (6) commodity pool operator or commodity trading advisor (whether registered or exempt from registration) (7) futures commission merchant (8) banking or thrift institution (9) trust company (10) accountant or accounting firm (11) lawyer or law firm (12) insurance company or agency (13) pension consultant (14) real estate broker or dealer (15) sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles (16) sponsor, general partner, managing member (or equivalent) of pooled investment vehicles (16) sponsor, general partner, managing member (or equivalent) of pooled investment advisory functions or are registered representatives of a broker-dealer. The number of your firm's employees who are registered representatives of a broker-dealer should be disclosed under Item 5.B.(1). The number of your firm's employees who are registered representatives of a broker-dealer should be disclosed under Item 5.B.(2). Note that if you are filing an umbrella registration, you should not check Item 7.A.(2) with respect to your relying advisers, and you do not have to complete Section 7.A. in Schedule D for your relying advisers. You should complete a Schedule R for each relying adviser, complete Section 7.A. of Schedule D.
	You do not need to complete Section 7.A. of Schedule D for any related person if: (1) you have no business dealings with the related person in connection with advisory services you provide to your clients; (2) you do not conduct shared operations with the related person; (3) you do not refer clients or business to the related person, and the related person does not refer prospective clients or business to you; (4) you do not share supervised persons or premises with the related person; and (5) you have no reason to believe that your relationship with the related person otherwise creates a conflict of interest with your clients.
	You must complete Section 7.A. of Schedule D for each related person acting as qualified custodian in connection with advisory services you provide to your clients (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)), regardless of whether you have determined the related person to be operationally independent under rule 206(4)-2 of the Advisers Act.
SE	CTION 7.A. Financial Industry Affiliations
Со	omplete a separate Schedule D Section 7.A. for each <i>related person</i> listed in Item 7.A.
1.	Legal Name of <i>Related Person</i> : CAMSHAFT CAPITAL MANAGEMENT LLC
2.	Primary Business Name of <i>Related Person</i> : CAMSHAFT CAPITAL MANAGEMENT LLC
3.	Related Person's SEC File Number (if any) (e.g., 801-, 8-, 866-, 802-)
	or Other
4.	Related Person's (a) CRD Number (if any):
	(b) CIK Number(s) (if any): No Information Filed
5.	broker-dealer, municipal securities dealer, or government securities broker or dealer
	(m) pension consultant (n) real estate broker or dealer

	(o) □ sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles (p) ☑ sponsor, general partner, managing member (or equivalent) of pooled investment vehicles (p) ☑ sponsor, general partner, managing member (or equivalent) of pooled investment vehicles		
	sponsor, general partner, managing member (or equivalent) or pooled investment venicles	Yes	No No
6. E	Do you <i>control</i> or are you <i>controlled</i> by the <i>related person</i> ?	•	0
7. A	Are you and the <i>related person</i> under common <i>control</i> ?	•	0
8. ((a) Does the related person act as a qualified custodian for your clients in connection with advisory services you provide to clients?	0	•
	(b) If you are registering or registered with the SEC and you have answered "yes," to question 8.(a) above, have you overcome the presumption that you are not operationally independent (pursuant to rule 206(4)-2(d)(5)) from the related person and thus are not required to obtain a surprise examination for your clients' funds or securities that are maintained at the related person?	0	0
((c) If you have answered "yes" to question 8.(a) above, provide the location of the related person's office responsible for custody of your clients	s' ass	ets:
	Number and Street 1: Number and Street 2: City: State: Country: ZIP+4/Postal Code:		
	If this address is a private residence, check this box: \Box		
		Yes	No
9. ((a) If the <i>related person</i> is an investment adviser, is it exempt from registration?	0	0
((b) If the answer is yes, under what exemption?		
10. ((a) Is the related person registered with a foreign financial regulatory authority?	0	•
((b) If the answer is yes, list the name and country, in English of each foreign financial regulatory authority with which the related person is regist No Information Filed	ered.	
11. [Do you and the <i>related person</i> share any <i>supervised persons</i> ?	•	0
12. C	Do you and the <i>related person</i> share the same physical location?	•	0
Item	7 Private Fund Reporting		
		Yes	s No
B. Ar	re you an adviser to any <i>private fund</i> ?	⊙	0
7.1 ins In	eporting adviser, and another SEC-registered adviser or SEC exempt reporting adviser reports this information with respect to any such private fund in B.(1) of Schedule D of its Form ADV (e.g., if you are a subadviser), do not complete Section 7.B.(1) of Schedule D with respect to that private fund. You stead, complete Section 7.B.(2) of Schedule D. In either case, if you seek to preserve the anonymity of a private fund client by maintaining its identity in your books and records in numerical or alphabede, or similar designation, pursuant to rule 204-2(d), you may identify the private fund in Section 7.B.(1) or 7.B.(2) of Schedule D using the same codesignation in place of the fund's name.	u mus etical	
SECT	TON 7.B.(1) <i>Private Fund</i> Reporting		
	Funds per Page: 15 💌 Total Funds: 1		
A. P	PRIVATE FUND		
Info	formation About the <i>Private Fund</i>		
1.	(a) Name of the <i>private fund</i> : CAMSHAFT CAPITAL FUND, LP		
	(b) Private fund identification number:		
	(include the "805-" prefix also)		
	805-3297616498		
2.	Under the laws of what state or country is the <i>private fund</i> organized:		
	State: Country: Delaware United States		
3.	(a) Name(s) of General Partner, Manager, Trustee, or Directors (or <i>persons</i> serving in a similar capacity):		
	Name of General Partner, Manager, Trustee, or Director		
H			\neg \square

(b) If filing an umbrella registration, identify the filing adviser and/or relying adviser(s) that sponsor(s) or manage(s) this private fund.		
No Information Filed		
The <i>private fund</i> (check all that apply; you must check at least one): ☑ (1) qualifies for the exclusion from the definition of investment company under section 3(c)(1) of the Investment Company Act of 1940 ☐ (2) qualifies for the exclusion from the definition of investment company under section 3(c)(7) of the Investment Company Act of 1940		
List the name and country, in English, of each foreign financial regulatory authority with which the private fund is registered.		
No Information Filed		
	Yes	No
 (a) Is this a "master fund" in a master-feeder arrangement? (b) If yes, what is the name and private fund identification number (if any) of the feeder funds investing in this private fund? No Information Filed 	0	•
(c) Is this a "feeder fund" in a master-feeder arrangement?	Yes O	No ©
(d) If yes, what is the name and <i>private fund</i> identification number (if any) of the master fund in which this <i>private fund</i> invests? Name of <i>private fund</i> :		
Private fund identification number: (include the "805-" prefix also)		
NOTE: You must complete question 6 for each master-feeder arrangement regardless of whether you are filing a single Schedule D, Section for the master-feeder arrangement or reporting on the funds separately.	7.B.([1)
If you are filing a single Schedule D, Section 7.B.(1) for a master-feeder arrangement according to the instructions to this Section 7.B.(1), for the feeder funds answer the following questions:	r eac	h of
No Information Filed		
	issue	ed
(a) Is this <i>private fund</i> a "fund of funds"?		•
NOTE: For purposes of this question only, answer "yes" if the fund invests 10 percent or more of its total assets in other pooled investment vehicles, regardless of whether they are also <i>private funds</i> or registered investment companies.		
(b) If yes, does the <i>private fund</i> invest in funds managed by you or by a <i>related person</i> ?	0	0
	Voc	No
During your last fiscal year, did the <i>private fund</i> invest in securities issued by investment companies registered under the Investment Company Act of 1940 (other than "money market funds," to the extent provided in Instruction 6.e.)?		⊙
What type of fund is the private fund?		
• hedge fund • liquidity fund • private equity fund • real estate fund • securitized asset fund • venture capital fund • Other private	ite fui	าd:
NOTE: For definitions of these fund types, please see Instruction 6 of the Instructions to Part 1A.		
	Incomesta fund (check all that apply: you must check at least one): (1) qualifies for the exclusion from the definition of investment company under section 3(c)(1) of the investment Company Act of 1940 (2) qualifies for the exclusion from the definition of investment company under section 3(c)(7) of the investment Company Act of 1940 (3) qualifies for the exclusion from the definition of investment company under section 3(c)(7) of the investment Company Act of 1940 (3) Is this a "master fund" in a master-feeder arrangement? (4) If yos, what is the name and private fund identification number (if any) of the feeder funds investing in this private fund? No information Filed (5) Is this a "feeder fund" in a master-feeder arrangement? (6) If yos, what is the name and private fund identification number (if any) of the master fund in which this private fund invests? Name of private fund. **Private fund identification number: (include the "Rids" peritx also) **NOTE: You must complete question 6 for each master-feeder arrangement regardless of whether you are filing a single Schedule D. Section for the master-feeder arrangement according to the instructions to this Section 7.8 (1), for the feeder funds answer the following questions: **No information Filed*** No information Filed **NOTE: For purposes of questions 6 for each master-feeder arrangement regardless of whether you are filing a single Schedule D. Section 7.8 (1), for a master-feeder arrangement according to the instructions to this Section 7.8 (1), for the feeder funds answer the following questions: **No information Filed*** No information Filed **Note: For purposes of fund ("master fund"). A fund would also be a "feeder fund" investing in a "master fund" for purposes of this question only, answer "yes" if the fund invests 10 percent or more of its total assots in a single master fund calls. Section 7.8 (1) for investing an arrangement fund or funds or purposes of this question only, answer "yes" if the fund invests 10 percent or more of its total	No Information Filed The private fund (check all that apply, you must check at least one): (I) qualifies for the exclusion from the definition of investment company under section 3(c)(1) of the investment Company Act of 1940 (2) qualifies for the exclusion from the definition of investment company under section 3(c)(1) of the investment Company Act of 1940 (2) qualifies for the exclusion from the definition of investment company under section 3(c)(1) of the investment Company Act of 1940 (2) qualifies for the exclusion from the definition of investment company under section 3(c)(1) of the investment Company Act of 1940 (2) qualifies for the exclusion from the definition of investment company under section 3(c)(1) of the investment Company Act of 1940 (2) qualifies for the exclusion from the definition of investment of the exclusion of the exc

12. Minimum investment commitment required of an investor in the *private fund*:

\$ 2,500,000

	organizational documents of the fucase 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 130 of 410	3	
13.	Approximate number of the <i>private fund's</i> beneficial owners: 42		
14.	What is the approximate percentage of the <i>private fund</i> beneficially owned by you and your <i>related persons</i> : 3%		
15.	(a) What is the approximate percentage of the <i>private fund</i> beneficially owned (in the aggregate) by funds of funds: 0%		
	(b) If the private fund qualifies for the exclusion from the definition of investment company under section 3(c)(1) of the Investment Company Act of 1940, are sales of the fund limited to <i>qualified clients</i> ?	Yes ©	No O
16.	What is the approximate percentage of the <i>private fund</i> beneficially owned by non- <i>United States persons</i> : 0%		
Υοι	ur Advisory Services	Yes	No
17.	(a) Are you a subadviser to this <i>private fund</i> ?	0	<u>©</u>
	(b) If the answer to question 17.(a) is "yes," provide the name and SEC file number, if any, of the adviser of the <i>private fund</i> . If the answer question 17.(a) is "no," leave this question blank.		
	No Information Filed		
		Yes	No
18.	(a) Do any investment advisers (other than the investment advisers listed in Section 7.B.(1).A.3.(b)) advise the private fund?	0	\odot
	(b) If the answer to question 18.(a) is "yes," provide the name and SEC file number, if any, of the other advisers to the <i>private fund</i> . If the to question 18.(a) is "no," leave this question blank.	answ	er
	No Information Filed		
		Yes	No
19.	Are your <i>clients</i> solicited to invest in the <i>private fund</i> ? NOTE: For purposes of this question, do not consider feeder funds of the private fund.	0	•
20.	Approximately what percentage of your <i>clients</i> has invested in the <i>private fund</i> ? 0%		
Priv	vate Offering		
21.	Has the <i>private fund</i> ever relied on an exemption from registration of its securities under Regulation D of the Securities Act of 1933?	Yes ©	No O
22.	If yes, provide the <i>private fund's</i> Form D file number (if any):		
	Form D file number		
	021-37532		
8. SI	ERVICE PROVIDERS		
Auc	ditors		
		Yes	No
23.	(a) (1) Are the private fund's financial statements subject to an annual audit?	\odot	0
	(2) If the answer to question 23.(a)(1) is "yes," are the financial statements prepared in accordance with U.S. GAAP?	\odot	0
	If the answer to question 23.(a)(1) is "yes," respond to questions (b) through (h) below. If the <i>private fund</i> uses more than one auditing you must complete questions (b) through (f) separately for each auditing firm.	g firm	١,
	Additional Auditor Information : 1 Record(s) Filed.		
	If the answer to question 23.(a)(1) is "yes," respond to questions (b) through (h) below. If the <i>private fund</i> uses more than one auditing firm, you must complete questions (b) through (f) separately for each auditing firm.		
	(b) Name of the auditing firm:		
	DELOITTE AND TOUCHE LLP		

	(c) The location of the auditing ferm	¼-56613°BL© S ^{ib} bder42° <i>2°riv</i> PtR	et/102129124(citpaget131chtq10y):		
	City:	State:	Country:		
	COSTA MESA	California	United States		
				Yes N	10
	(d) Is the auditing firm an independent	ent public accountant?		⊙ (0
	(e) Is the auditing firm registered w	rith the Public Company Accounting	g Oversight Board?	· 0	0
	If yes, Public Company Accounti 34	ng Oversight Board-Assigned Num	ber:		
	(f) If "yes" to (e) above, is the audiaccordance with its rules?	ting firm subject to regular inspec	tion by the Public Company Accounting Oversight Board in	n 💿 (0
				Yes	No
(g	Are the private fund's audited financial investors?	statements for the most recently	completed fiscal year distributed to the <i>private fund's</i>	0	•
(h) Do all of the reports prepared by the a	uditing firm for the private fund sin	nce your last annual updating amendment contain unqualit	fied opinions	s?
	C Yes 6 No C Report Not Yet Recei	ved			
	If you check "Report Not Yet Received,"	you must promptly file an amendm	ent to your Form ADV to update your response when the re	port is availa	ible
<u>Prime</u>	<u>Broker</u>				
				Yes	No
24. (a) Does the <i>private fund</i> use one or more	·		•	C
	•	•	igh (e) below for each prime broker the <i>private fund</i> uses through (e) separately for each prime broker.	. If the <i>priva</i>	ate
	Additional Prime Broker Information	n : 3 Record(s) Filed.			
		•	ough (e) below for each prime broker the <i>private fund</i> use stions (b) through (e) separately for each prime broker.	es. If the	
	(c) If the prime broker is registered 8 - 47257	with the SEC, its registration num	ber:		
	CRD Number (if any): 36418				
	(d) Location of prime broker's office	used principally by the <i>private fun</i>	d (city, state and country):		
	City:	State:	Country:		
	GREENWICH	Connecticut	United States		
				Yes N	10
	(e) Does this prime broker act as cu	istodian for some or all of the <i>priva</i>	ate fund's assets?	⊙ (0
	•	•	ough (e) below for each prime broker the <i>private fund</i> use stions (b) through (e) separately for each prime broker.	es. If the	
	(b) Name of the prime broker: J.P. MORGAN SECURITIES LLC				
	(c) If the prime broker is registered 8 - 35008 CRD Number (if any):	with the SEC, its registration num	ber:		
	79				
	(d) Location of prime broker's office	used principally by the <i>private fun</i>	d (city, state and country):		
	City:	State:	Country:		

(a) Doos this prima broke		-	
(e) Does this prime broke	act as custodian for some or all of the	ne private fund's assets?	
		(b) through (e) below for each prime broker the p ete questions (b) through (e) separately for each p	
(b) Name of the prime bro			
(c) If the prime broker is 8 - 69039	registered with the SEC, its registration	on number:	
CRD Number (if any): 161014			
(d) Location of prime brok	er's office used principally by the <i>priv</i>	ate fund (city, state and country):	
City:	State:	Country:	
NEW YORK	New York	United States	
(e) Does this prime broke	act as custodian for some or all of the	ne <i>private fund's</i> assets?	
<u>1</u>			
	v svotodiono (includina the mimes bro	kern listed above) to hald some ar all of its assets	2
·		kers listed above) to hold some or all of its assets	
f the answer to question 25			
f the answer to question 25 und uses more than one cus	•	(b) through (g) separately for each custodian.	Tunu uses. If the
und uses more than one cus	•	,	Tunu uses. II the
und uses more than one cus	stodian, you must complete questions	,	Tuna ases. II the
Additional Custodian Infor	mation: 4 Record(s) Filed. 25.(a) is "yes," respond to questions	,	
Additional Custodian Infor	mation: 4 Record(s) Filed. 25.(a) is "yes," respond to questions sustodian, you must complete question	(b) through (g) separately for each custodian.(b) through g) below for each custodian the private	
Additional Custodian Information Informati	mation: 4 Record(s) Filed. 25.(a) is "yes," respond to questions sustodian, you must complete questionan: IES LLC e of custodian:	(b) through (g) separately for each custodian.(b) through g) below for each custodian the private	
Additional Custodian Infor If the answer to question and uses more than one custodian Under the uses more than one custodian U.P. MORGAN SECURIT (c) Primary business named J.P. MORGAN SECURIT (d) The location of the custodian U.P. MORGAN SECURIT	mation: 4 Record(s) Filed. 25.(a) is "yes," respond to questions sustodian, you must complete question an: IES LLC e of custodian: IES LLC stodian's office responsible for custodian.	(b) through (g) separately for each custodian. (b) through g) below for each custodian the private ns (b) through (g) separately for each custodian.	te fund uses. If the
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Additional Custodian Informal Informal Custodian Informal Information	mation: 4 Record(s) Filed. 25.(a) is "yes," respond to questions sustodian, you must complete questionan: IES LLC e of custodian: IES LLC stodian's office responsible for custod State: Delaware	(b) through (g) separately for each custodian. (b) through g) below for each custodian the privations (b) through (g) separately for each custodian. (c) of the private fund's assets (city, state and count Country: United States	te fund uses. If the
Additional Custodian Informal If the answer to question a fund uses more than one of the custodian J.P. MORGAN SECURIT (c) Primary business named J.P. MORGAN SECURIT (d) The location of the custodian is a broad of the custodian a relation of the custodian is a broad of the custod	mation: 4 Record(s) Filed. 25.(a) is "yes," respond to questions tustodian, you must complete question an: IES LLC e of custodian: IES LLC stodian's office responsible for custod State: Delaware	(b) through (g) separately for each custodian. (b) through g) below for each custodian the privations (b) through (g) separately for each custodian. (c) of the private fund's assets (city, state and count Country: United States	te fund uses. If the
Additional Custodian Informal If the answer to question and fund uses more than one continued uses a second of the custodian of the custodian and the continued uses a second use of the custodian and the custodian and the custodian is a bright of th	mation: 4 Record(s) Filed. 25.(a) is "yes," respond to questions tustodian, you must complete question an: IES LLC e of custodian: IES LLC stodian's office responsible for custod State: Delaware	(b) through (g) separately for each custodian. (b) through g) below for each custodian the privations (b) through (g) separately for each custodian. (c) of the private fund's assets (city, state and count Country: United States	te fund uses. If the
Additional Custodian Informal If the answer to question and fund uses more than one of the custodian J.P. MORGAN SECURIT (c) Primary business named J.P. MORGAN SECURIT (d) The location of the custodian is a broad of the custodian a relation of the custodian is a broad of the cust	mation: 4 Record(s) Filed. 25.(a) is "yes," respond to questions sustodian, you must complete questionan: IES LLC e of custodian: IES LLC stodian's office responsible for custod State: Delaware sted person of your firm?	(b) through (g) separately for each custodian. (b) through g) below for each custodian the privations (b) through (g) separately for each custodian. (c) of the private fund's assets (city, state and count Country: United States	te fund uses. If the
Additional Custodian Informal Informal Custodian Informal Information Infor	mation: 4 Record(s) Filed. 25.(a) is "yes," respond to questions sustodian, you must complete questionan: IES LLC e of custodian: IES LLC stodian's office responsible for custod State: Delaware sted person of your firm?	(b) through (g) separately for each custodian. (b) through g) below for each custodian the private ins (b) through (g) separately for each custodian. (c) of the private fund's assets (city, state and count Country: United States (d) through (g) separately for each custodian.	te fund uses. If the
Additional Custodian Informal Informal Custodian Informal Information Infor	mation: 4 Record(s) Filed. 25.(a) is "yes," respond to questions sustodian, you must complete questionan: IES LLC e of custodian: IES LLC stodian's office responsible for custod State: Delaware sted person of your firm?	(b) through (g) separately for each custodian. (b) through g) below for each custodian the private ins (b) through (g) separately for each custodian. (c) of the private fund's assets (city, state and count Country: United States (d) through (g) separately for each custodian.	te fund uses. If the

MIDLAND TRUST COMPANY

(c)	Primary business name ease 24:50013-BLS	S Doc 42-2	Filed 02/2	29/24	Page 133 of 410		
(d)	The location of the custodian's office responsi City: FORT MYERS	ible for <i>custody</i> State: Florida	of the <i>private</i>	Coun		v	
(e)	Is the custodian a related person of your firm?)				Yes O	o No O
(f)	If the custodian is a broker-dealer, provide its	s SEC registration	on number (if	any):			
	- CRD Number (if any):						
(g)	If the custodian is not a broker-dealer, or is a identifier (if any)	a broker-dealer	but does not	have a	nn SEC registration number, provide its <i>legal</i>	entity	
fun	he answer to question 25.(a) is "yes," respond d uses more than one custodian, you must con Legal name of custodian: NORTHERN TRUST SECURITIES, INC.					the <i>priv</i>	
(c)	Primary business name of custodian: NORTHERN TRUST SECURITIES, INC.						
(d)	The location of the custodian's office responsi City: State CHICAGO Illino	e:	Cou	e fund's untry: ted Sta	•		
(e)	Is the custodian a <i>related person</i> of your firm?)				Yes O	s No ⊙
(f)	If the custodian is a broker-dealer, provide its 8 - 23689 CRD Number (if any): 7927	s SEC registratio	on number (if	any):			
(g)	If the custodian is not a broker-dealer, or is a identifier (if any)	a broker-dealer	but does not	have a	nn SEC registration number, provide its <i>legal</i>	entity	
lf t	he answer to question 25.(a) is "yes," respond	d to questions (b) through g) below	for each custodian the <i>private fund</i> uses. If	the priv	
fun	d uses more than one custodian, you must con	nplete question	ns (b) through	n (g) se	eparately for each custodian.		
(b)	Legal name of custodian: TEXAS CAPITAL BANK						
(c)	Primary business name of custodian: TEXAS CAPITAL BANK						
(d)	The location of the custodian's office responsi City:	ible for <i>custody</i> State:	of the <i>private</i>	e <i>fund's</i> Cour			
	RICHARDSON	Texas		Unite	ed States	Yes	s No
(e)	Is the custodian a related person of your firm?	,				0	•
(f)	If the custodian is a broker-dealer, provide its	SEC registration	on number (if	any):			
	CRD Number (if any):						

identifier (if any)	oker-dealer, or is a broker-dealer but doe	02/29/24 Page 134 of 410 shot have an SEC registration number, provid	de Its <i>legal entity</i>
<u>sistrator</u>			
			Ye
) Does the <i>private fund</i> use an admi	· ·	(f) below. If the <i>private fund</i> uses more than	one administrator.
•	ugh (f) separately for each administrator.	(1, 25.61) 11 11.6 p. 11.61 (2.16 1.16 1.16 1.16 1.16 1.16 1.16 1.16	
Additional Administrator Inform	nation : 1 Record(s) Filed.		
) is "yes," respond to questions (b) throu te questions (b) through (f) separately fo	gh (f) below. If the <i>private fund</i> uses more that reach administrator.	an one
(b) Name of administrator: APEX FUND SERVICES			
(c) Location of administrator (ci	ity, state and country):		
City:	State:	Country:	
NEW YORK CITY	New York	United States	Yes N
(d) Is the administrator a <i>relate</i>	ed person of your firm?		0 6
	pare and send investor account statemer	,	
	stors) Some (provided to some but not	all investors) ONo (provided to no investors))
investors? If investor accou	int statements are not sent to the (rest o	vestor account statements to the (rest of the factor) that the private fund's investors, respond "not a factor)	pplicable."
investors? If investor accounting your last fiscal year, what percount related person? Oo% clude only those assets where (i) sullevant quotes, and (ii) the valuation	centage of the <i>private fund's</i> assets (by value) uch <i>person</i> carried out the valuation process used for purposes of investor subscription		pplicable." inistrator, that is notice that is not the second of the se
investors? If investor accounting your last fiscal year, what percount related person? Oo% clude only those assets where (i) surelevant quotes, and (ii) the valuation docations) was the valuation determined.	centage of the <i>private fund's</i> assets (by value) uch <i>person</i> carried out the valuation process used for purposes of investor subscription	the) private fund's investors, respond "not a lue) was valued by a person, such as an admedure established for that asset, if any, includ	pplicable." inistrator, that is not limited in the property of the property o
investors? If investor accounting your last fiscal year, what percent related person? 00% clude only those assets where (i) surelevant quotes, and (ii) the valuation ocations) was the valuation determinant.	centage of the <i>private fund's</i> assets (by value) assets (by value) assets (by value) are the person carried out the valuation process as used for purposes of investor subscripting ined by such <i>person</i> .	the) private fund's investors, respond "not a lue) was valued by a person, such as an admodure established for that asset, if any, including, redemptions or distributions, and fee calc	pplicable." inistrator, that is not ling obtaining any culations (including
investors? If investor accounting your last fiscal year, what percount related person? Oo% clude only those assets where (i) sure levant quotes, and (ii) the valuation locations) was the valuation determined ters To boes the private fund use the serve you must answer "yes" whether the similar person. If the answer to questions of the private fund use the serve to questions of the person.	centage of the <i>private fund's</i> assets (by value) of the <i>private fund's</i> assets (by value) of the <i>person</i> carried out the valuation process a used for purposes of investor subscription ined by such <i>person</i> . Vices of someone other than you or your the <i>person</i> acts as a placement agent, contestion 28.(a) is "yes," respond to question	the) private fund's investors, respond "not a lue) was valued by a person, such as an admodure established for that asset, if any, including, redemptions or distributions, and fee calc	pplicable." ininistrator, that is not ling obtaining any culations (including Ye or other solicitor, or leter the private functions
investors? If investor accounting your last fiscal year, what percent related person? Oo% clude only those assets where (i) sure levant quotes, and (ii) the valuation ocations) was the valuation determined ters To Does the private fund use the serve You must answer "yes" whether the similar person. If the answer to questions	centage of the <i>private fund's</i> assets (by value) assets of the <i>private fund's</i> assets (by value) as a carried out the valuation process of investor subscription in used for purposes of investor subscription in the person acts as a placement agent, contacts and contacts are also as a placement agent.	the) private fund's investors, respond "not a lue) was valued by a person, such as an admodure established for that asset, if any, includons, redemptions or distributions, and fee calculations, and fee calculations are marketing purposes? Example 2 instructure in the calculations are such marketing to be such marketing to	pplicable." ininistrator, that is not ling obtaining any culations (including Ye or other solicitor, or leter the private functions
uring your last fiscal year, what percour related person? 20% clude only those assets where (i) sulevant quotes, and (ii) the valuation locations) was the valuation determinaters 1 Does the private fund use the serve You must answer "yes" whether to similar person. If the answer to quuses. If the private fund uses more Additional Marketer Information You must answer "yes" whether or similar person. If the answer to the private fund uses more than the private fund uses more additional Marketer Information.	centage of the <i>private fund's</i> assets (by value) and person carried out the valuation process of investor subscription used for purposes of investor subscription in used by such <i>person</i> . Vices of someone other than you or your the <i>person</i> acts as a placement agent, contestion 28.(a) is "yes," respond to question that the person acts as a placement agent of the person acts as a placement agent, or the person acts as a placement agent.	the) private fund's investors, respond "not a lue) was valued by a person, such as an admodure established for that asset, if any, includons, redemptions or distributions, and fee calculations, and fee calculations are marketing purposes? Example 2 instructure in the calculations are such marketing to be such marketing to	pplicable." Ininistrator, that is not ling obtaining any culations (including or other solicitor, or eter the private function marketer.
uring your last fiscal year, what percour related person? 20% clude only those assets where (i) sulevant quotes, and (ii) the valuation locations) was the valuation determined ters 1 Does the private fund use the serve You must answer "yes" whether to similar person. If the answer to quuses. If the private fund uses more Additional Marketer Information You must answer "yes" whether or similar person. If the answer to the private fund uses more than the private fund uses more additional Marketer Information.	centage of the <i>private fund's</i> assets (by value) and person carried out the valuation process of investor subscription used for purposes of investor subscription in used by such <i>person</i> . Vices of someone other than you or your the <i>person</i> acts as a placement agent, contestion 28.(a) is "yes," respond to question that the person acts as a placement agent of the person acts as a placement agent, or the person acts as a placement agent.	lue) was valued by a <i>person</i> , such as an admidure established for that asset, if any, including, redemptions or distributions, and fee calculations, redemptions or distributions, and fee calculations (b) through (g) below for each such markquestions (b) through (g) separately for each onsultant, finder, introducer, municipal advisor questions (b) through (g) separately for each onsultant, finder, introducer, municipal advisor estions (b) through (g) below for each such restions (b) through (g) below for each such resting to the context of	pplicable." Ininistrator, that is not ling obtaining any culations (including or other solicitor, or eter the private functions arketer.
uring your last fiscal year, what percour related person? 20% clude only those assets where (i) sulevant quotes, and (ii) the valuation locations) was the valuation determined ters 1 Does the private fund use the serve You must answer "yes" whether to similar person. If the answer to quuses. If the private fund uses more Additional Marketer Information You must answer "yes" whether or similar person. If the answer to the private fund uses more than the private fund uses more additional Marketer Information.	centage of the <i>private fund's</i> assets (by value of the person carried out the valuation process of investor subscription in used for purposes of investor subscription in used by such person. Vices of someone other than you or your the person acts as a placement agent, contestion 28.(a) is "yes," respond to question to question in the person acts as a placement agent, or the person acts are person acts as a placement agent, or the person acts are person acts as a placement agent.	lue) was valued by a <i>person</i> , such as an admidure established for that asset, if any, including, redemptions or distributions, and fee calculations, redemptions or distributions, and fee calculations (b) through (g) below for each such markquestions (b) through (g) separately for each onsultant, finder, introducer, municipal advisor questions (b) through (g) separately for each onsultant, finder, introducer, municipal advisor estions (b) through (g) below for each such restions (b) through (g) below for each such resting to the context of	pplicable." Ininistrator, that is not ling obtaining any culations (including or other solicitor, or eter the private function marketer. Or or other solicitor, marketer the private for each marketer.
uring your last fiscal year, what perdour related person? 20% clude only those assets where (i) sulevant quotes, and (ii) the valuation locations) was the valuation determinations. When the serve you must answer "yes" whether the similar person. If the answer to quives. If the private fund uses more additional Marketer Information. You must answer "yes" whether or similar person. If the answer the fund uses. If the private fund uses. If the private fund uses.	centage of the <i>private fund's</i> assets (by value of the person carried out the valuation process of investor subscription in used for purposes of investor subscription in used by such person. Vices of someone other than you or your the person acts as a placement agent, contestion 28.(a) is "yes," respond to question to question in the person acts as a placement agent, or the person acts are person acts as a placement agent, or the person acts are person acts as a placement agent.	lue) was valued by a <i>person</i> , such as an admidure established for that asset, if any, including, redemptions or distributions, and fee calculations, redemptions or distributions, and fee calculations (b) through (g) below for each such markquestions (b) through (g) separately for each onsultant, finder, introducer, municipal advisor questions (b) through (g) separately for each onsultant, finder, introducer, municipal advisor estions (b) through (g) below for each such restions (b) through (g) below for each such resting to the context of	pplicable." Ininistrator, that is not ling obtaining any culations (including or other solicitor, or eter the private functions marketer.
investors? If investor accountring your last fiscal year, what perdur related person? 90% clude only those assets where (i) survey and (ii) the valuation ocations) was the valuation determined ters 1 Does the private fund use the servey you must answer "yes" whether the similar person. If the answer to queuses. If the private fund uses more additional Marketer Information You must answer "yes" whether or similar person. If the answer the fund uses. If the private fund uses the private fund uses fund uses the private fund uses. If the private fund uses the private fund uses the private fund uses the private fund uses the private fund uses. If the private fund uses the pr	centage of the <i>private fund's</i> assets (by value of the person carried out the valuation process of investor subscription in used for purposes of investor subscription in used by such person. Vices of someone other than you or your the person acts as a placement agent, contestion 28.(a) is "yes," respond to question to question in the person acts as a placement agent, or the person acts are person acts as a placement agent, or the person acts are person acts as a placement agent.	lue) was valued by a <i>person</i> , such as an admodure established for that asset, if any, includons, redemptions or distributions, and fee calculations, redemptions or distributions, and fee calculations (b) through (g) below for each such marking (g) through (g) separately for each consultant, finder, introducer, municipal advisor (b) through (g) separately for each consultant, finder, introducer, municipal advisor (estions (b) through (g) below for each such mulliple (g) through (g) separately for each such mulliple (g) s	pplicable." Ininistrator, that is not ling obtaining any culations (including or other solicitor, or eter the private function marketer. Or or other solicitor, marketer the private for each marketer.

City: State: Country: PORTLAND Oregon United State: (f) Does the marketer market the <i>private fund</i> through one or more websites? (g) If the answer to question 28.(f) is "yes," list the website address(es): No Information Filed	s Yes No Ĉ ⊙	
(f) Does the marketer market the <i>private fund</i> through one or more websites?(g) If the answer to question 28.(f) is "yes," list the website address(es):	Yes No	
(g) If the answer to question 28.(f) is "yes," list the website address(es):		
Funds per Page: 15 💌 Total Funds: 1		
SECTION 7.B.(2) <i>Private Fund</i> Reporting		
No Information Filed		
tors O Doubieir shiers on Interest in Client Transcrations		
tem 8 Participation or Interest in <i>Client</i> Transactions		
n this Item, we request information about your participation and interest in your <i>clients</i> ' transactions. conflicts of interest may occur between you and your <i>clients</i> . Newly-formed advisers should base respondent interest that you expect to engage in during the next year.		
Like Item 7, Item 8 requires you to provide information about you and your related persons, including for	oreign affiliates.	
Proprietary Interest in <i>Client</i> Transactions		
A. Do you or any related person:		es No
(1) buy securities for yourself from advisory <i>clients</i> , or sell securities you own to advisory <i>clients</i> (•
(2) buy or sell for yourself securities (other than shares of mutual funds) that you also recommen(3) recommend securities (or other investment products) to advisory <i>clients</i> in which you or any <i>r</i>		_
(ownership) interest (other than those mentioned in Items 8.A.(1) or (2))?		
Sales Interest in <i>Client</i> Transactions		
B. Do you or any <i>related person</i> :	Ye	es No
(1) as a broker-dealer or registered representative of a broker-dealer, execute securities trades client securities are sold to or bought from the brokerage customer (agency cross transaction		•
(2) recommend to advisory clients, or act as a purchaser representative for advisory clients with respect which you or any related person serves as underwriter or general or managing partner?	respect to, the purchase of securities for	0
(3) recommend purchase or sale of securities to advisory <i>clients</i> for which you or any <i>related pers</i> the receipt of sales commissions as a broker or registered representative of a broker-dealer).		•
Investment or Brokerage Discretion		
C. Do you or any <i>related person</i> have <i>discretionary authority</i> to determine the:	Ye	es No
(1) securities to be bought or sold for a <i>client's</i> account?		0 0
(2) amount of securities to be bought or sold for a client's account?	c	. 0
(3) broker or dealer to be used for a purchase or sale of securities for a <i>client's</i> account?	Č	_
(4) commission rates to be paid to a broker or dealer for a <i>client's</i> securities transactions?	Č	_
D. If you answer "yes" to C.(3) above, are any of the brokers or dealers <i>related persons</i> ?		0 0
E. Do you or any <i>related person</i> recommend brokers or dealers to <i>clients</i> ?	Č	
F. If you answer "yes" to E. above, are any of the brokers or dealers <i>related persons</i> ?		
G. (1) Do you or any <i>related person</i> receive research or other products or services other than execut	ion from a broker-dealer or a third party	
("soft dollar benefits") in connection with <i>client</i> securities transactions?(2) If "yes" to G.(1) above, are all the "soft dollar benefits" you or any <i>related persons</i> receive elig section 28(e) of the Securities Exchange Act of 1934?	gible "research or brokerage services" under	0
	loves for allow the form 1-2	_
H. (1) Do you or any related person, directly or indirectly, compensate any person that is not an empl(2) Do you or any related person, directly or indirectly, provide any employee compensation that is		

I.		Do you or any <i>related person</i> , including any <i>employee</i> , directly or indirectly, receive compensation from any <i>person</i> (other than you or any <i>related person</i>) for <i>client</i> referrals? Case 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 136 of 410								
	In y	our response to Item 8.I., do not include the regula	ar salary you pay to an employee.							
	fron	,	and non-cash compensation that you or a related person gave to (in answering Item 8.H.) or re for client referrals, including any bonus that is based, at least in part, on the number or amount							
Iter	n 9 C	ustody								
In t	his It	•	has custody of client (other than clients that are investment companies registered under the custodial practices.	e						
Α.	(1)	Do you have <i>custody</i> of any advisory <i>clients</i> ':		Yes	No					
		(a) cash or bank accounts?		\odot	\circ					
		(b) securities?		•	0					
	dire	ctly from your clients' accounts, or (ii) a related per	er "No" to Item 9.A.(1)(a) and (b) if you have custody solely because (i) you deduct your advisors rson has custody of client assets in connection with advisory services you provide to clients, but ationally independent (pursuant to Advisers Act rule 206(4)-2(d)(5)) from the related person.	_	'S					
	(2) If you checked "yes" to Item 9.A.(1)(a) or (b), what is the approximate amount of <i>client</i> funds and securities and total number of <i>clients</i> you have <i>custody</i> :									
		U.S. Dollar Amount To	tal Number of <i>Clients</i>							
		(a) \$ 595,845,395 (b)) 1							
	inclu coni	ude the amount of those assets and the number of	ou have custody solely because you deduct your advisory fees directly from your clients' account f those clients in your response to Item 9.A.(2). If your related person has custody of client asse s, do not include the amount of those assets and number of those clients in your response to 9 tem 9.B.(2).	ets in						
B.	(1)	In connection with advisory services you provide	e to clients, do any of your related persons have custody of any of your advisory clients':	Yes	No					
		(a) cash or bank accounts?		\circ	\odot					
		(b) securities?		0	⊙					
	You	are required to answer this item regardless of how	you answered Item 9.A.(1)(a) or (b).							
	(2)	If you checked "yes" to Item 9.B.(1)(a) or (b), we your related persons have custody:	what is the approximate amount of <i>client</i> funds and securities and total number of <i>clients</i> for	which	า					
		U.S. Dollar Amount To	tal Number of <i>Clients</i>							
		(a) \$ (b)								
C.		ou or your <i>related persons</i> have <i>custody</i> of <i>client</i> for apply:	funds or securities in connection with advisory services you provide to <i>clients</i> , check all the fo	ollowi	ing					
	(1)		nts at least quarterly to the investors in the pooled investment vehicle(s) you manage.	V						
	(2) An independent public accountant audits annually the pooled investment vehicle(s) that you manage and the audited financial statements are distributed to the investors in the pools.									
	(3)	An independent public accountant conducts an ar	nnual surprise examination of client funds and securities.							
	(4) An independent public accountant prepares an internal control report with respect to custodial services when you or your related persons are qualified custodians for client funds and securities.									
	an i		ion 9.C. of Schedule D the accountants that are engaged to perform the audit or examination or polynomials. It is a subject to list auditor information in Section 9.C. of Schedule D if you already provided see in Section 7.B.(1) of Schedule D).		re					
D.	-		odians for your clients in connection with advisory services you provide to clients?	Yes	No					
	(1)	you act as a qualified custodian		\circ	\odot					
	(2)	your related person(s) act as qualified custodian	(s)	0	•					
	206		ns that act as qualified custodians (other than any mutual fund transfer agent pursuant to rule chedule D, regardless of whether you have determined the related person to be operationally ind	lepenc	dent					

If you are filing your annual updating amendment and you were subject to a surprise examination by an independent public accountant during your last fiscal year, provide the date (MM/YY) © a see 24 to 100 library provide the date (MM/YY) © a see 24 to 100 l F. If you or your related persons have custody of client funds or securities, how many persons, including, but not limited to, you and your related persons, act as qualified custodians for your *clients* in connection with advisory services you provide to *clients*? SECTION 9.C. Independent Public Accountant You must complete the following information for each independent public accountant engaged to perform a surprise examination, perform an audit of a pooled investment vehicle that you manage, or prepare an internal control report. You must complete a separate Schedule D Section 9.C. for each independent public accountant. (1) Name of the independent public accountant: DELOITTE AND TOUCHE LLP (2) The location of the *independent public accountant's* office responsible for the services provided: Number and Street 1: Number and Street 2: 695 TOWN CENTER DR **SUITE 1000** Country: 71P+4/Postal Code: City: State: COSTA MESA California **United States** 92626 Yes No (3) Is the independent public accountant registered with the Public Company Accounting Oversight Board? ⊕ -0 If "yes," Public Company Accounting Oversight Board-Assigned Number: 34 (4) If "yes" to (3) above, is the *independent public accountant* subject to regular inspection by the Public Company Accounting Oversight Board in 0 accordance with its rules? (5) The independent public accountant is engaged to: A.

audit a pooled investment vehicle B. \square perform a surprise examination of *clients'* assets C.

✓ prepare an internal control report (6) Since your last annual updating amendment, did all of the reports prepared by the independent public accountant that audited the pooled investment vehicle or that examined internal controls contain unqualified opinions? Yes O No C Report Not Yet Received If you check "Report Not Yet Received", you must promptly file an amendment to your Form ADV to update your response when the accountant's report is available. **Item 10 Control Persons** In this Item, we ask you to identify every person that, directly or indirectly, controls you. If you are filing an umbrella registration, the information in Item 10 should be provided for the filing adviser only. If you are submitting an initial application or report, you must complete Schedule A and Schedule B. Schedule A asks for information about your direct owners and executive officers. Schedule B asks for information about your indirect owners. If this is an amendment and you are updating information you reported on either Schedule A or Schedule B (or both) that you filed with your initial application or report, you must complete Schedule C. Yes No Does any person not named in Item 1.A. or Schedules A, B, or C, directly or indirectly, control your management or policies? \circ If yes, complete Section 10.A. of Schedule D. If any person named in Schedules A, B, or C or in Section 10.A. of Schedule D is a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934, please complete Section 10.B. of Schedule D. SECTION 10.A. Control Persons

No Information Filed

SECTION 10.B. Control Person Public Reporting Companies Case 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 138 of 410

No Information Filed

Item 11 Disclosure Information

In this Item, we ask for information about your disciplinary history and the disciplinary history of all your *advisory affiliates*. We use this information to determine whether to grant your application for registration, to decide whether to revoke your registration or to place limitations on your activities as an investment adviser, and to identify potential problem areas to focus on during our on-site examinations. One event may result in "yes" answers to more than one of the questions below. In accordance with General Instruction 5 to Form ADV, "you" and "your" include the *filing adviser* and all *relying advisers* under an *umbrella registration*.

Your advisory affiliates are: (1) all of your current employees (other than employees performing only clerical, administrative, support or similar functions); (2) all of your officers, partners, or directors (or any person performing similar functions); and (3) all persons directly or indirectly controlling you or controlled by you. If you are a "separately identifiable department or division" (SID) of a bank, see the Glossary of Terms to determine who your advisory affiliates are.

If you are registered or registering with the SEC or if you are an exempt reporting adviser, you may limit your disclosure of any event listed in Item 11 to ten years following the date of the event. If you are registered or registering with a state, you must respond to the questions as posed; you may, therefore, limit your disclosure to ten years following the date of an event only in responding to Items 11.A.(1), 11.A.(2), 11.B.(1), 11.B.(2), 11.D.(4), and 11.H.(1)(a). For purposes of calculating this ten-year period, the date of an event is the date the final order, judgment, or decree was entered, or the date any rights of appeal from preliminary orders, judgments, or decrees lapsed.

You must complete the appropriate Disclosure Reporting Page ("DRP") for "yes" answers to the questions in this Item 11.

		Yes	No.
Do	any of the events below involve you or any of your supervised persons?	0	•
For	"yes" answers to the following questions, complete a Criminal Action DRP:		
A.	In the past ten years, have you or any advisory affiliate:	Yes	No
	(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any felony?	0	•
	(2) been charged with any felony?	0	•
	If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.A.(2) charges that are currently pending.	to	
В.	In the past ten years, have you or any advisory affiliate:		
	(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to a <i>misdemeanor</i> involving: investments or an <i>investment-related</i> business, or any fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?	0	•
	(2) been <i>charged</i> with a <i>misdemeanor</i> listed in Item 11.B.(1)?	0	•
	If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.B.(2) charges that are currently pending.	to	
<u>For</u>	"yes" answers to the following questions, complete a Regulatory Action DRP:		
C.	Has the SEC or the Commodity Futures Trading Commission (CFTC) ever:	Yes	No
	(1) found you or any advisory affiliate to have made a false statement or omission?	\circ	\odot
	(2) found you or any advisory affiliate to have been involved in a violation of SEC or CFTC regulations or statutes?	0	\odot
	(3) found you or any advisory affiliate to have been a cause of an investment-related business having its authorization to do business denied, suspended, revoked, or restricted?	0	•
	(4) entered an order against you or any advisory affiliate in connection with investment-related activity?	0	•
	(5) imposed a civil money penalty on you or any advisory affiliate, or ordered you or any advisory affiliate to cease and desist from any activity?	0	•
D.	Has any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority:		
	(1) ever found you or any advisory affiliate to have made a false statement or omission, or been dishonest, unfair, or unethical?	0	\odot
	(2) ever found you or any advisory affiliate to have been involved in a violation of investment-related regulations or statutes?	0	\odot
	(3) ever found you or any advisory affiliate to have been a cause of an investment-related business having its authorization to do business denied, suspended, revoked, or restricted?	0	•
	(4) in the past ten years, entered an order against you or any advisory affiliate in connection with an investment-related activity?	0	•
	(5) ever denied, suspended, or revoked your or any advisory affiliate's registration or license, or otherwise prevented you or any advisory affiliate, by order, from associating with an investment-related business or restricted your or any advisory affiliate's activity?	0	•
E.	Has any self-regulatory organization or commodities exchange ever:		
	(1) found you or any advisory affiliate to have made a false statement or omission?	0	•

(2) found you or any advisory affiliate to have been involved in a violation of its rules (other than a violation designated as a "minor rule

violation" under a plan approved by the SEC)?

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	(3) found you or any advisory affiliate to have been the cause of an investment-related business having its authorization to do business denied, suspended, revoked, or restrict case 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 139 of 410	0	⊙
	(4) disciplined you or any <i>advisory affiliate</i> by expelling or suspending you or the <i>advisory affiliate</i> from membership, barring or suspending you or the <i>advisory affiliate</i> from association with other members, or otherwise restricting your or the <i>advisory affiliate's</i> activities?	0	•
F.	Has an authorization to act as an attorney, accountant, or federal contractor granted to you or any advisory affiliate ever been revoked or suspended?	0	•
G.	Are you or any <i>advisory affiliate</i> now the subject of any regulatory <i>proceeding</i> that could result in a "yes" answer to any part of Item 11.C., 11.D., or 11.E.?	0	•
For	"yes" answers to the following questions, complete a Civil Judicial Action DRP:		
Н.	(1) Has any domestic or foreign court:	Yes	No
	(a) in the past ten years, enjoined you or any advisory affiliate in connection with any investment-related activity?	0	\odot
	(b) ever found that you or any advisory affiliate were involved in a violation of investment-related statutes or regulations?	0	\odot
	(c) ever dismissed, pursuant to a settlement agreement, an investment-related civil action brought against you or any advisory affiliate by a state or foreign financial regulatory authority?	0	•
	(2) Are you or any advisory affiliate now the subject of any civil proceeding that could result in a "yes" answer to any part of Item 11.H.(1)?	0	•
ten	m 12 Small Businesses		
The	e SEC is required by the Regulatory Flexibility Act to consider the effect of its regulations on small entities. In order to do this, we need to determine the rule o-7.	ine	
	 Purposes of this Item 12 only: Total Assets refers to the total assets of a firm, rather than the assets managed on behalf of <i>clients</i>. In determining your or another <i>person's</i> assets, you may use the total assets shown on a current balance sheet (but use total assets reported on a consolidated balance sheet with subsidiaries included, if that amount is larger). Control means the power to direct or cause the direction of the management or policies of a <i>person</i>, whether through ownership of securities, contract, or otherwise. Any <i>person</i> that directly or indirectly has the right to vote 25 percent or more of the voting securities, or is entitled to 2 or more of the profits, of another <i>person</i> is presumed to <i>control</i> the other <i>person</i>. 	by	cent
		Yes	No
A.	Did you have total assets of \$5 million or more on the last day of your most recent fiscal year?	0	0
If "	'yes," you do not need to answer Items 12.B. and 12.C.		
В.	Do you:		
	(1) control another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) of \$25 million or more on the last day of its most recent fiscal year?	0	0
	(2) control another person (other than a natural person) that had total assets of \$5 million or more on the last day of its most recent fiscal year?	0	0
C.	Are you:		
	(1) controlled by or under common control with another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) of \$25 million or more on the last day of its most recent fiscal year?	0	0
	(2) controlled by or under common control with another person (other than a natural person) that had total assets of \$5 million or more on the last day of its most recent fiscal year?	0	0
	adula A		
	edule A ect Owners and Executive Officers		
	Complete Schedule A only if you are submitting an initial application or report. Schedule A asks for information about your direct owners and exec	utive	

- officers. Use Schedule C to amend this information.
- 2. Direct Owners and Executive Officers. List below the names of:
 - (a) each Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Chief Legal Officer, Chief Compliance Officer is required if you are registered or applying for registration and cannot be more than one individual), director, and any other individuals with similar status or functions;
 - (b) if you are organized as a corporation, each shareholder that is a direct owner of 5% or more of a class of your voting securities, unless you are a public reporting company (a company subject to Section 12 or 15(d) of the Exchange Act); Direct owners include any person that owns, beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 5% or more of a class of your voting securities. For purposes of this Schedule, a person beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-inlaw, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to

- purchase the security
- (c) if you are organized as a partners 🗓 as 🚉 🚧 🕫 00 13 rBLes a Door 42-2 mil 🗐 leah 02/29/24 ar Rage 1140 of 410 right to receive upon dissolution, or have contributed, 5% or more of your capital;
- (d) in the case of a trust that directly owns 5% or more of a class of your voting securities, or that has the right to receive upon dissolution, or has contributed, 5% or more of your capital, the trust and each trustee; and
- (e) if you are organized as a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 5% or more of your capital, and (ii) if managed by elected managers, all elected managers.
- 3. Do you have any indirect owners to be reported on Schedule B? OYes No
- 4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner or executive officer is an individual.
- 5. Complete the Title or Status column by entering board/management titles; status as partner, trustee, sole proprietor, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).
- 6. Ownership codes are: NA less than 5%
- B 10% but less than 25% D 50% but less than 75%

- 7. (a) In the Control Person column, enter "Yes" if the person has control as defined in the Glossary of Terms to Form ADV, and enter "No" if the person does not have control. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are control persons.
 - (b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.
 - (c) Complete each column

(c) complete each column.							
FULL LEGAL NAME (Individuals: DE/FE/I		Title or Status	Date Title or Status	Ownership	Control	PR	CRD No. If None: S.S. No. and
Last Name, First Name, Middle			Acquired MM/YYYY	Code	Person		Date of Birth, IRS Tax No. or
Name)							Employer ID No.
MORTON, WILLIAM, CAMERON	I	CHIEF EXECUTIVE OFFICER,	08/2020	E	Υ	Ν	7692554
		CHIEF COMPLIANCE					
		OFFICER					

Schedule B

Indirect Owners

- 1. Complete Schedule B only if you are submitting an initial application or report. Schedule B asks for information about your indirect owners; you must first complete Schedule A, which asks for information about your direct owners. Use Schedule C to amend this information.
- 2. Indirect Owners. With respect to each owner listed on Schedule A (except individual owners), list below:
 - (a) in the case of an owner that is a corporation, each of its shareholders that beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 25% or more of a class of a voting security of that corporation;
 - For purposes of this Schedule, a person beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.
 - (b) in the case of an owner that is a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 25% or more of the partnership's capital;
 - (c) in the case of an owner that is a trust, the trust and each trustee: and
 - (d) in the case of an owner that is a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 25% or more of the LLC's capital, and (ii) if managed by elected managers, all elected managers.
- 3. Continue up the chain of ownership listing all 25% owners at each level. Once a public reporting company (a company subject to Sections 12 or 15(d) of the Exchange Act) is reached, no further ownership information need be given.
- 4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner is an individual.
- 5. Complete the Status column by entering the owner's status as partner, trustee, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).
- 6. Ownership codes are:
- C 25% but less than 50% E 75% or more
- D 50% but less than 75% F Other (general partner, trustee, or elected manager)
- 7. (a) In the Control Person column, enter "Yes" if the person has control as defined in the Glossary of Terms to Form ADV, and enter "No" if the person does not have control. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are
 - (b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.
 - (c) Complete each column.

No Information Filed

Schedule D - Miscellaneous

You may use the space below to explain a response to an Item or to provide any other information.

Schedule R

Case 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 141 of 410

DRP Pages

CRIMINAL DISCLOSURE REPORTING PAGE (ADV)

No Information Filed

REGULATORY ACTION DISCLOSURE REPORTING PAGE (ADV)

No Information Filed

CIVIL JUDICIAL ACTION DISCLOSURE REPORTING PAGE (ADV)

No Information Filed

Part 2

Exemption from brochure delivery requirements for SEC-registered advisers

SEC rules exempt SEC-registered advisers from delivering a firm brochure to some kinds of clients. If these exemptions excuse you from delivering a brochure to *all* of your advisory clients, you do not have to prepare a brochure.

Yes No

 \circ

Are you exempt from delivering a brochure to all of your clients under these rules?

If no, complete the ADV Part 2 filing below.

Amend, retire or file new brochures:

Brochure ID	Brochure Name	Brochure Type(s)
376579	CAMSHAFT CAPITAL ADVISORS LLC -	Private funds or pools
	ADV PART 2A	

Part 3

CRS Type(s) Affiliate Info Retire

There are no CRS filings to display.

Execution Pages

DOMESTIC INVESTMENT ADVISER EXECUTION PAGE

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial submission of Form ADV to the SEC and all amendments.

Appointment of Agent for Service of Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint the Secretary of State or other legally designated officer, of the state in which you maintain your *principal office and place of business* and any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such *persons* may accept service on your behalf, of any notice, subpoena, summons, *order* instituting *proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding*, or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of the state in which you maintain your *principal office and place of business* or of any state in which you are submitting a *notice filing*.

Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having *custody* or possession of these books and records to make them available to federal and state regulatory representatives.

Date: MM/DD/YYYY Signature: Case 24-50013-BLS Doc 42-2 04Filed 02/29/24 Page 142 of 410 WILLIAM MORTON

Title: CEO, CCO

WILLIAM MORTON Adviser CRD Number:

Printed Name:

322577

NON-RESIDENT INVESTMENT ADVISER EXECUTION PAGE

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial submission of Form ADV to the SEC and all amendments.

1. Appointment of Agent for Service of Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint each of the Secretary of the SEC, and the Secretary of State or other legally designated officer, of any other state in which you are submitting a notice filing, as your agents to receive service, and agree that such persons may accept service on your behalf, of any notice, subpoena, summons, order instituting proceedings, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative proceeding or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, proceeding or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is founded, directly, or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of any state in which you are submitting a notice filing.

2. Appointment and Consent: Effect on Partnerships

If you are organized as a partnership, this irrevocable power of attorney and consent to service of process will continue in effect if any partner withdraws from or is admitted to the partnership, provided that the admission or withdrawal does not create a new partnership. If the partnership dissolves, this irrevocable power of attorney and consent shall be in effect for any action brought against you or any of your former partners.

3. Non-Resident Investment Adviser Undertaking Regarding Books and Records

By signing this Form ADV, you also agree to provide, at your own expense, to the U.S. Securities and Exchange Commission at its principal office in Washington D.C., at any Regional or District Office of the Commission, or at any one of its offices in the United States, as specified by the Commission, correct, current, and complete copies of any or all records that you are required to maintain under Rule 204-2 under the Investment Advisers Act of 1940. This undertaking shall be binding upon you, your heirs, successors and assigns, and any person subject to your written irrevocable consents or powers of attorney or any of your general partners and managing agents.

Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the non-resident investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any person having custody or possession of these books and records to make them available to federal and state regulatory representatives.

Signature: Date: MM/DD/YYYY

Printed Name: Title:

Adviser CRD Number:

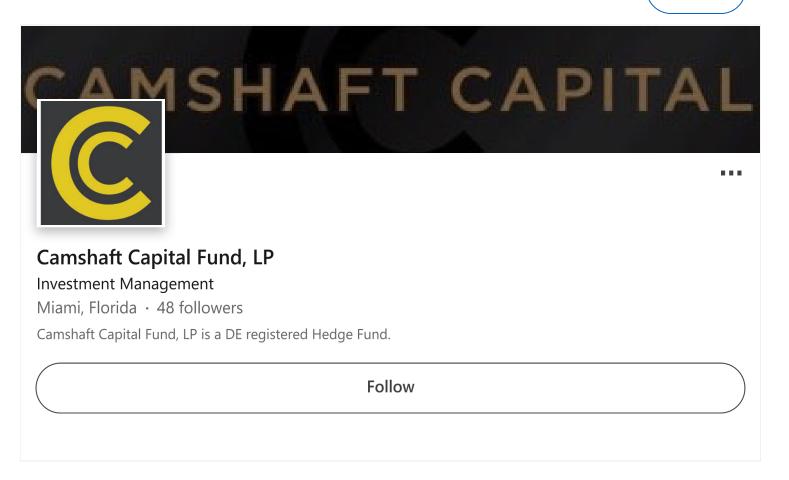
322577

EXHIBIT 22



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About us

Camshaft's investment strategies focus on consistent, diverse, low risk returns modeling, after fees, 18-25%+ yearly to investors. Camshaft Capital has never posted a negative quarter, or even consecutive negative months, while achieving extremely high returns. This is due to the multilayered diversification of the Fund.

The Fund pursues a mixture of strategies, including trend, contrarian, momentum, swing, and volatility trading. Similarly, the Fund uses intraday, short, mid, and long-term trades to maximize returns. Camshaft Capital finds profits in positive, negative, and even non directional market movements by using arbitrage, options, volatility and derivatives through Indices, Commodities, Futures, Currencies, Bonds, Global Markets, Private Equity, Derivatives, and Debt. Blending non correlated strategies, timeframes, directions, products, sectors, and investment classes minimizes volatility and risk, but not performance.

John to see who you unead	know at cambiant capita	i i diid, Li	
Join	now		Sign in

Join to see who you already know at Camshaft Canital Fund I.P.

2/16/24. 10:40 PM Case 24-50013-BLS Doc 42-22ms Fait@dp (0)2/12/19/124 | Lir Reage 145 of 410

ensure minimal maximum positional loss of the Fund's capital. This reduces the Fund's risk in a steep market/underlying downturn. Each trade intrinsically has a reward skewed upside significantly greater than the risk taken, allowing Camshaft Capital to achieve an astounding alpha.

Camshaft Capital Fund, LP is a Hedge Fund registered in Delaware organized under section 3(C)(1) of the Investment Company Act of 1940.

Website http://camshaftcapital.com <a>™

Industry **Investment Management**

2-10 employees Company size

Headquarters Miami, Florida

Type Privately Held

Founded 2020

Specialties

Investment Management, Asset Management, Quantitative Analysis, and Relationship Management

Locations

Primary

Miami, Florida, US

Get directions 2

Similar pages



Estas USA Camshaft Industry

Join to see who you already know at Camshaft Capital Fund, LP

Join now

Sign in





Lilburn, Georgia



Precision Camshaft Limited

Appliances, Electrical, and Electronics Manufacturing Pune, Maharashtra



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From: William Morton <william@camshaftcapital.com>

Sent: February 27, 2024 11:47 AM

To: Jianjian Ye; Susheel Kirpalani; *benjaminfinestone@quinnemanuel.com; Christine Botvinnik;

*danielholzman@quinnemanuel.com; 'Enos, Kenneth'; 'RBRADY@ycst.com'; Cc: Massey, David B; Schartz, Brian; Howell, Richard U. S.; Bryant, Chris; Shang, Christine; Rathe, Colin B.; Welch, Katie J.; Scherer, Christine; Carter, Elizabeth C; Townsell, Andrew; Terry, Claire; Miller, Evan T.; Shankar, Ravi

Subramanian

Subject: Thank you ☺

This message is from an EXTERNAL SENDER

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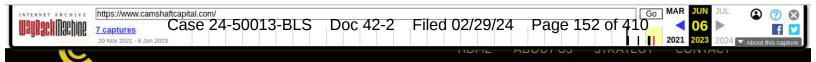
Good afternoon all,

I just heard how the 11am hearing went, and it would be a cardinal disrespect to my religious beliefs (which is centered in gratitude), to not express the following. With deepest respect and gratefulness, I express my utmost appreciation to whomever elected (or to the process that resulted in) Quinn Emanual as first chair, and not Kirkland & Ellis in representation of the Plaintiff in the DE Byju's-Camshaft Bankruptcy matter.

It would be an honor to send this person some of the grass fed, free range, Longhorn beef from our family's Montana ranch. Of which, I grew up on, attending to the mother cows who today produce the younglings resulting in the beef I would send.

With highest regards \bigcirc





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CAMSHAFT CAPITAL FUND, LP

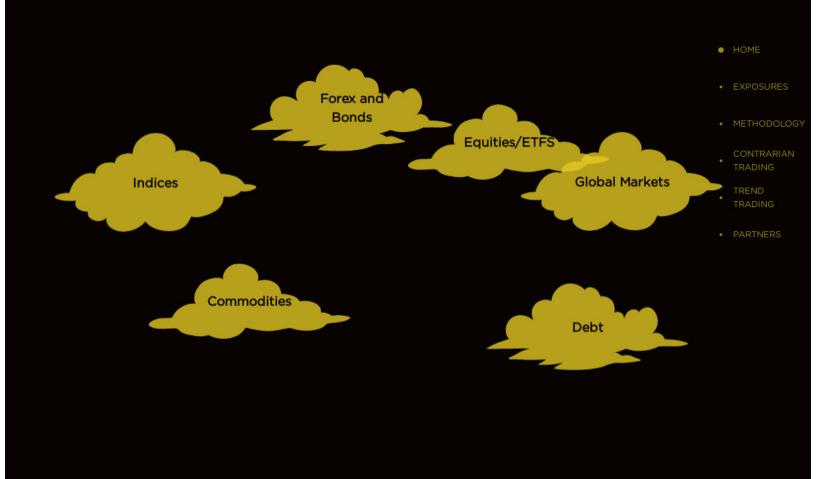
 $\label{lem:consistently} Consistently outperforming the best through risk averse non-correlated return streams.$

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ASSET ALLOCATIONS



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CONTRARIAN TRADING



William Morton Founder CEO

Trading Experience:

- o Equities 17 years
- o Options 13 years
- Futures 5 years
- o Commodities 4 years

Hobbies

Document title: Camshaft Capital

self-improvement, fitness, basketball, cooking, traveling, trading, reading, writing, storytelling, fine dining, skiing, water activities,

water activities, hiking/backpacking, meditating, learning new skills, fashion, social

Time Focus:

Day Trading / Short Term

Methods:

Option writing, volatility trading, swing positions

Favorite instruments:

Long and short: naked puts, calls, /ES, /NQ, /VX, /GC, /CL, /ZT, /ZN, /ZB SPX, NDX, VIX, AAPL, TSLA, GLD, NFLX, BABA, BA, AMZN, NVDA, FB, GOOG, CMG, TLT

Favorite market conditions to trade:

Long and short: naked puts, calls, Earning seasons, panic sell offs, high volatility, news and announcements, 3 day weekend holidays

Strategies Used:

Long and short: naked puts, calls, synthetic long/short, straddles, single/double diagonals, single/double calendars, strangles, skip/iron/long/short butterflies, front ratios, Iron condors, spreads, back ratios, futures, future options, stock shares

Known For

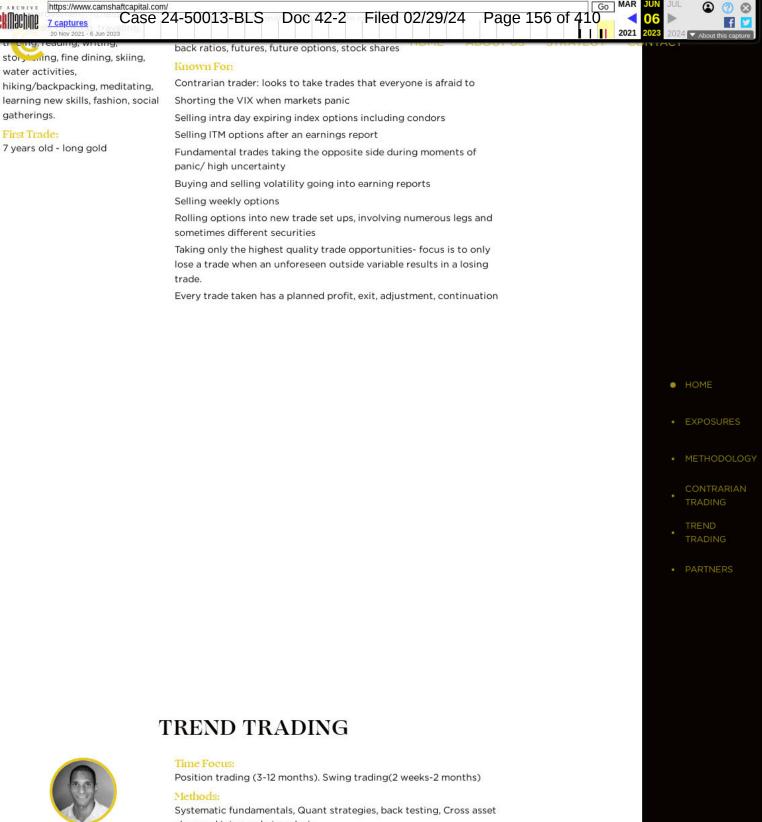
Contrarian trader: looks to take trades that everyone is afraid to

Shorting the VIX when markets panic

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Jason Perz Co-CIO

Trading Experience:

- Equities 13 years
- o Options 7 years
- Futures 6 years
- Blockchain 5 years
- Commodities 13 years

class and intermarket analysis.

Favorite instruments:

Anything and everything. I trade sugar and treasury bonds exactly the

Favorite market conditions to trade:

A smooth trending market. (I can dream)

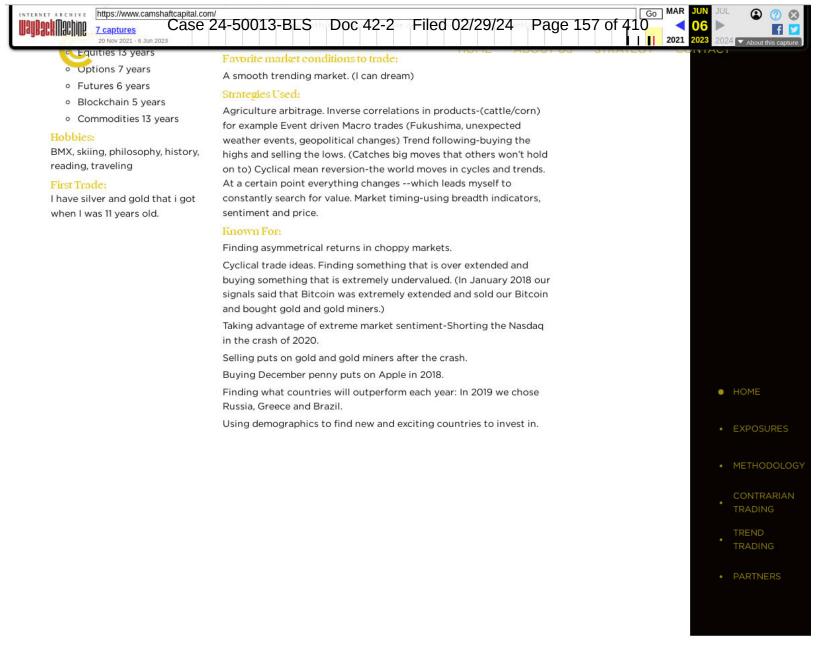
Strategies Used:

Agriculture arbitrage. Inverse correlations in products-(cattle/corn)

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Outperforming our peers with risk-averse, diversified return streams.

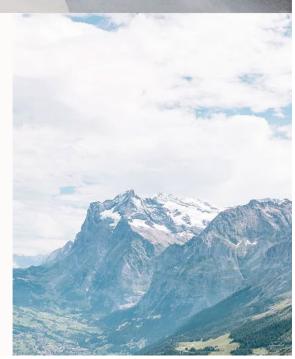
Camshaft Group provides comprehensive financial solutions across three core verticals: Hedge Funds, Broker Dealer Services, and Consulting.

The Hedge Fund division specializes in delivering true diversification. We curate a portfolio that encompasses Liquid Portfolio, Private Credit, Life Sciences, and Commercial Real Estate - optimizing returns through rigorous risk tests



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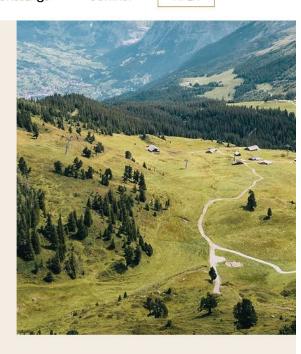


The Hedge Fund division specializes in delivering true diversification. We curate a portfolio that encompasses Liquid Portfolio, Private Credit, Life Sciences, and Commercial Real Estate - optimizing returns through rigorous risk tests.

Our Broker Dealer service offers capital markets, structuring, consulting, and upcoming IPO capacity. Our experienced team and extensive network identify opportunities that meet our stringent risk criteria, providing top-notch guidance to clients.

The Consulting division caters to diverse needs, offering services such as Synthetic Debt, Service Partners, Consumer Data, Middle Office, Automation, Recruiting, and Marketing. Leveraging our growing network, we enhance portfolio value and empower businesses to thrive.

"Much like a camshaft generates power to an engine, the Camshaft Group generates alpha across financial markets with efficiency, fluidity, and precision execution" - William Morton CEO



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Meet the *people* behind Camshaft

Specialized backgrounds make the team innovative, and our laser-focus on finding market apportunities drives success.

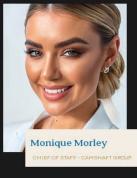




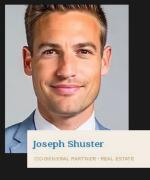












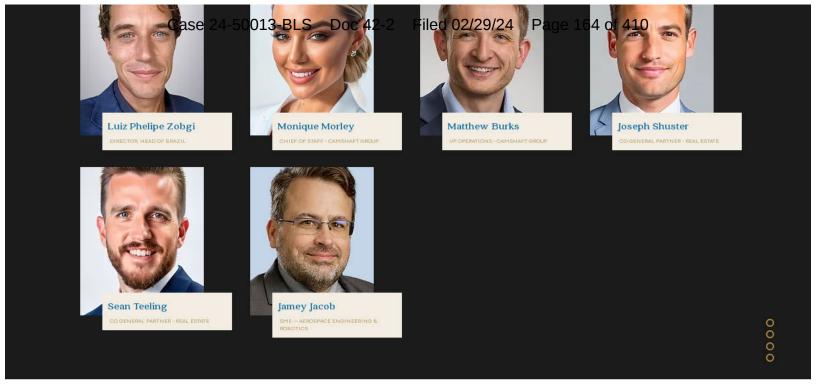




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Let's talk about what we can do together.

0	St.Thomas, USVI Miami, FL, USA	First Name Last Name
	Pittsburg, PA, USA San Diego, CA, USA	Email *
	Monterrey, Mexico Sao Paulo, Brazil London, United Kingdom	Message
\bowtie	support@camshaftgroup.com	
		Send

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Camshaft Capital Advisors ADV Filling

Page 1 Page 3 IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE THE COURT: Good morning. 1 2 GLAS TRUST COMPANY LLC, in its capacity as Administrative Agent and Collateral Agent, and TIMOTHY R. POHL, VARIOUS COUNSEL: Good morning, Your 3 Honor. 4 ATTORNEY CICERO: Good morning, Your Plaintiffs, 5 Honor. Joe Cicero from Chipman Brown Cicero & Cole on C. A. No. 2023-0488-MTZ 7.7 RIJU RAVINDRAN, BYJU'S ALPHA, INC., 6 behalf of the defendants. Thank you for having us and TANGIBLE PLAY, INC., 7 today. 8 I wanted to first do introductions of 9 my co-counsel. Sheron Korpus, David Max, and Sondra Grigsby from Kasowitz Benson Torres. Chancery Court Chambers Leonard L. Williams Justice Center 500 North King Street 11 THE COURT: Welcome. 12 ATTORNEY CICERO: Thank you. Wilmington, Delaware Friday, August 4, 2023 13 ATTORNEY NEAL: Good morning, Your 9:15 a.m. 14 Honor. Lauren Neal from Morris Nichols 15 Arsht & Tunnell. And with me today is my co-counsel BEFORE: HON. MORGAN T. ZURN, Vice Chancellor 16 from Linklaters, Patrick Ashby, and my colleague 17 Elizabeth Mullin. 18 SECTION 225 TRIAL TRANSCRIPT THE COURT: Thank you, good morning. 19 ATTORNEY CZESCHIN: Good morning, Your 20 Honor. Brock Czeschin from Richards, Layton & Finger 21 on behalf of plaintiff Timothy Pohl. With me in the CHANCERY COURT REPORTERS Leonard L. Williams Justice Center 500 North King Street - Suite 11400 Wilmington, Delaware 19801 (302) 255-0526 22 courtroom today is my colleague Nicole Henry and also 23 Sean Quigley, who will be helping with the 24 presentation. CHANCERY COURT REPORTERS Page 2 Page 4 1 APPEARANCES: 1 THE COURT: Thank you. Good morning. 2 2 BROCK E. CZESCHIN, ESQ. NICOLE M. HENRY, ESQ. ATTORNEY CZESCHIN: And with Your 3 Richards, Layton & Finger, PA for Plaintiff Timothy R. Pohl 3 Honor's permission, I can present the argument on 4 4 behalf of the plaintiffs. 5 5 ELIZABETH A. MULLIÑ, ESQ. THE COURT: Yes, thank you. Morris, Nichols, Arsht & Tunnell LLP 6 6 -and-ATTORNEY CZESCHIN: So as Your Honor PATRICK C. ASHBY, ESQ. of the New York Bar Linklaters LLP 7 7 is aware --8 8 for Plaintiff GLAS Trust Company LLC THE COURT: Do you have a copy of 9 JOSEPH B. CICERO, ESQ. Chipman Brown Cicero & Cole LLP 9 these slides? 10 10 ATTORNEY CZESCHIN: I do. We have -and-SHERON KORPUS, ESQ. DAVID M. MAX, ESQ. 11 11 several copies. They were provided to the other side SONDRA GRIGSBY, ESQ. of the New York Bar 12 12 last evening. Kasowitz Benson Torres LLP for Defendants 13 13 So as Your Honor is aware, the plaintiffs brought this action pursuant to Section 225 14 14 15 of the Delaware General Corporation Law to confirm 16 that actions that were taken by GLAS to assume control 16 17 17 of 100 percent of the stock of BYJU's Alpha and use 18 18 that control to remove Mr. Ravindran as the sole 19 19 director and appoint Mr. Pohl as the sole director of 20 20 the company, that those actions were valid and 21 21 effective; as well as certain related actions that 22 22 happened after that, such as Mr. Pohl executing a 23 23 written consent to remove the existing officers --24 which, again -- was Mr. Ravindran, and appoint himself

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	Page 5		Page 7
1	to that role.	1	investors coming into the term loan, the only thing
2	So the validity of these actions turns	2	that they have to understand their rights is to look
3	on two key issues. And we have them there on the	3	at the credit agreement itself.
4	slide. The first is were there events of default	4	Now, going to the next slide
5	under the BYJU's Alpha credit agreement that entitled	5	THE COURT: Does that aspect of these
6	GLAS to exercise its contractual right to assume	6	new investors coming around, and the fact that this is
7	control of the company; and, second, whether GLAS	7	syndicated, is there a foothold for that in the New
8	properly exercised its contractual rights from a	8	York law that has to do with unconscionability and the
9	mechanical point of view to remove Ravindran and	9	estoppel doctrine and some of these other squishier
10	appoint Pohl.	10	aspects that we're going to be talking about?
11	And unlike many 225 cases, the	11	ATTORNEY CZESCHIN: There is. There
12	defendants do not challenge or make any arguments with	12	is a case that we cite in our brief. I don't have it
13	respect to the second point, the mechanical steps.	13	off the top of my head, but that says I don't know
14	Instead, the defendants only focus on the first point,	14	if it's exactly in the context of talking about some
15	which is whether or not there were events of default	15	of the squishy doctrines, but it highlights the fact
16	that entitled GLAS to take the actions that it did.	16	that when you have a syndicated facility, loan, that
17	And on that point, we think that the	17	it's important to apply the words as they are written.
18	key legal principle that the Court should focus on is	18	And I can get you that cite when I get back up. But
19	that sophisticated parties with sophisticated advisors	19	that is something that the New York courts have
20	should be held to the terms of their agreement.	20	recognized.
21	Now, that's the principle that decides	21	And I'm just going to grab my water.
22	this case. That's a bedrock principle of New York and	22	THE COURT: Sure.
23	Delaware law. And it's particularly applicable here	23	ATTORNEY CZESCHIN: We think the key
24	because we have sophisticated parties. We have BYJU's	24	facts here that decide the case are, you know, BYJU's
	CHANCERY COURT REPORTERS	-	CHANCERY COURT REPORTERS
	Page 6		Page 8
1	on the other side. That's the conglomerate that's	1	has repeatedly conceded that the events of default
2	made up of Think and Learn, is the parent entity, and	2	occurred, and they have conceded GLAS's right to
3	its subsidiaries. And you have BYJU's Alpha, which	3	exercise the remedies. Defendants try to ignore the
4	was an indirect, wholly owned subsidiary; and Tangible	4	amendments that have been entered into over the past
5	Play, which is another, I believe, wholly owned	5	year to the credit agreement. They don't even address
6	subsidiary. And together they are referred to as	6	them in the brief. They're in two footnotes, is where
7	"BYJU's."	7	they're mentioned.
8	It's the world's largest education	8	But over this past year, while the
9	technology company. They were recently valued at	9	parties were trying to negotiate a resolution, they
10	\$22 billion. They had the best lawyers that money	10	entered into a series of eight amendments to the
11	could buy. They were represented by White & Case	11	credit agreement. And in those amendments, the
12	during the negotiation of the credit agreement. They	12	defendants admit that there have been events of
13	also had Indian counsel that is noted on the slide.	13	default. They also admit that those events of default
14	And this the underlying transaction	14	don't get cured and that they become well, there
15	is a big transaction. It's a \$1.2 billion syndicated	15	were defaults that matured into events of default that
16	term loan. And because it's a syndicated term loan,	16	entitle that's the word that's used in the
17	that means it's well, originally there were 37	17	amendments – entitle GLAS to exercise its contractual
18	large financial institutions that invested into the	18	remedies.
19	term loan. But because it's syndicated, it trades,	19	And those are concessions that we
20	and new investors come in and old investors go out of	20	think, you know, resolve this case. And we're going
21	the facility over time.	21	to get to those in more detail.
22	And I think the syndicated nature of	22	So the first amendment that is really
23	that term loan highlights why it's so important to	23	important is Amendment No. 2, and it was entered into
24	apply the contract as it's written. Because new	24	on October 12th, 2022, and it adds a new definition to
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS

	Page 9		Page 11
1	the credit agreement. And that's JX 168. It adds a	1	credit agreement, on a quarterly basis, they are also
2	new definition to the credit agreement for "Specified	2	obligated to provide unaudited financials. And they
3	Defaults." And the parties also agree that those	3	failed to provide complete audited financials in
4	specified defaults will effectively be governed by an	4	during two of the quarters.
5	amended cure period, which extends the cure period in	5	So if you keep going and flip over to
6	the original agreement.	6	the next page, Sean.
7	So, Sean, if you could pull up JX 168,	7	So at the top there, you see it
8	we will take a look at the actual language. So here's	8	references the fiscal quarters for the parent
9	the document. You see it's Amendment No. 2, dated	9	guarantor ended on December 31 and on June 30th, 2022.
10	October 12, 2022. And if we could focus on Section 1	10	And those quarterly financials are due 75 days at the
11	at the bottom.	11	end, after the end of the quarter. And again, those
12	Section 1 says, "Amendments to the	12	periods had already run at the time this document was
13	Credit Agreement." This is amending the credit	13	signed. And those documents those financials that
14	agreement. And it says, "Specified Defaults." And	14	were provided were not compliant with the contract.
15	they use the term "Specified Defaults." They don't	15	They didn't include all of the information we were
16	use the term "Specified Nonmaterial Breaches of	16	supposed to get.
17	Contract," which is what the other side is trying to	17	And there's really no dispute about
18	say. They use the term "Defaults."	18	that either. Actually, in their answer in this case,
19	And if you then look at (a), the first	19	they admit that in the first — the first quarter
20	listed default is "the failure to deliver to the	20	that's mentioned there, they didn't provide us
21	Administrative Agent, as required under Section 5.1(a)	21	everything that they said they would provide us. They
22	[of the credit agreement], the audited financials and	22	deny it as to the second quarter, but you can just
23	other information for the fiscal year of the Parent	23	look at the document and it's clear they didn't give
24	Guarantor ended March 31, []."	24	us everything that we were entitled to.
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 10		Page 12
1	Page 10 So this refers back to the credit	1	Page 12 So that's the second specified
1 2	_	1 2	-
	So this refers back to the credit	_	So that's the second specified
2	So this refers back to the credit agreement the obligation for BYJU's to provide audited financial statements every year within, I believe it's 180 days of the end of their fiscal year. And that	2	So that's the second specified default. And then if you go down to subpart (c), you
2	So this refers back to the credit agreement the obligation for BYJU's to provide audited financial statements every year within, I believe it's 180 days of the end of their fiscal year. And that time period had expired on September 27th of 2022. So	2	So that's the second specified default. And then if you go down to subpart (c), you see the third specified default. And this refers to Whitehat India, which is another subsidiary of Think and Learn, and that it had failed to accede to the
2 3 4	So this refers back to the credit agreement the obligation for BYJU's to provide audited financial statements every year within, I believe it's 180 days of the end of their fiscal year. And that time period had expired on September 27th of 2022. So at the time this amendment is being entered into, that	2 3 4	So that's the second specified default. And then if you go down to subpart (c), you see the third specified default. And this refers to Whitehat India, which is another subsidiary of Think and Learn, and that it had failed to accede to the agreement and the onshore guarantee deed as a
2 3 4 5	So this refers back to the credit agreement the obligation for BYJU's to provide audited financial statements every year within, I believe it's 180 days of the end of their fiscal year. And that time period had expired on September 27th of 2022. So at the time this amendment is being entered into, that default has already occurred. That's why they're	2 3 4 5	So that's the second specified default. And then if you go down to subpart (c), you see the third specified default. And this refers to Whitehat India, which is another subsidiary of Think and Learn, and that it had failed to accede to the
2 3 4 5 6 7 8	So this refers back to the credit agreement the obligation for BYJU's to provide audited financial statements every year within, I believe it's 180 days of the end of their fiscal year. And that time period had expired on September 27th of 2022. So at the time this amendment is being entered into, that default has already occurred. That's why they're referring to it here as a specified default, because	2 3 4 5 6 7 8	So that's the second specified default. And then if you go down to subpart (c), you see the third specified default. And this refers to Whitehat India, which is another subsidiary of Think and Learn, and that it had failed to accede to the agreement and the onshore guarantee deed as a guarantor, pursuant to Section 5.9(c) of the credit agreement.
2 3 4 5 6 7 8 9	So this refers back to the credit agreement the obligation for BYJU's to provide audited financial statements every year within, I believe it's 180 days of the end of their fiscal year. And that time period had expired on September 27th of 2022. So at the time this amendment is being entered into, that default has already occurred. That's why they're referring to it here as a specified default, because it had already happened.	2 3 4 5 6 7 8	So that's the second specified default. And then if you go down to subpart (c), you see the third specified default. And this refers to Whitehat India, which is another subsidiary of Think and Learn, and that it had failed to accede to the agreement and the onshore guarantee deed as a guarantor, pursuant to Section 5.9(c) of the credit agreement. What this refers to is in the credit
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2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	So this refers back to the credit agreement the obligation for BYJU's to provide audited financial statements every year within, I believe it's 180 days of the end of their fiscal year. And that time period had expired on September 27th of 2022. So at the time this amendment is being entered into, that default has already occurred. That's why they're referring to it here as a specified default, because it had already happened. They did not provide their audited financials on time — and there's no dispute about that. It's actually a stipulation in the pretrial order stipulated facts. There's no dispute. They were required to provide the audited financials by September 27, 2022. They didn't do it. They haven't even provided them as of today. More than ten months later, we still don't have those audited financials. And that is another stipulated fact in the pretrial order. There's no dispute, we just don't have them. So then you go on to (b), and you see "the failure to deliver to the Administrative Agent, as required under Section 5.1(b), the full and	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	So that's the second specified default. And then if you go down to subpart (c), you see the third specified default. And this refers to Whitehat India, which is another subsidiary of Think and Learn, and that it had failed to accede to the agreement and the onshore guarantee deed as a guarantor, pursuant to Section 5.9(c) of the credit agreement. What this refers to is in the credit agreement, 5.9(c), this additional subsidiary of Think and Learn was supposed to sign on as an additional guarantor of the loan by April 1, 2022, and it failed to do so. Now, that date, the lenders in Amendment No. 1, which we skipped over, the lenders had agreed not to enforce that obligation until October 8th, 2022. But, again, they missed that date as well. And, again, both of those things are stipulated facts in the pretrial order. They did not get the Whitehat guarantee by April 1. They didn't get the Whitehat guarantee as of today.

	Page 13		Page 15
1	to the bottom of that page, you see Section (c).	1	hat and they are defaults and we're moving on.
2	Section (c) amends Section 8.1(e) of the credit	2	ATTORNEY CZESCHIN: Yes.
3	agreement. And what this language essentially does is	3	THE COURT: But now I understand this
4	provides an extended cure period for the specified	4	to be slightly different, which is when we're looking
5	defaults. It says no matter when the specified	5	at 8.1(e), that because we're amending 8.1(e), which
6	defaults occurred or when notice was given of them,	6	provides the cure period, it's not a default until
7	you had 45 days to cure them. And basically that's	7	such time as we get to the end of the amended cure
8	giving them an extended cure period for the specified	8	period.
9	defaults. But I think it's important to look at what	9	ATTORNEY CZESCHIN: That's exactly
10	this is amending. So, again, this is amending Section	10	right. So the way the contract distinguishes between
11	8.1(e) of the credit agreement. And let's take a look	11	defaults so something is a default when you don't
12	at that section of the credit agreement.	12	do what you're supposed to do. It's a breach. But
13	Sean, can you bring this document down	13	then that default matures into an event of default
14	and then bring up JX 21.	14	once the cure period has expired. And once you have
15	And if you could scroll to the second	15	an event of default, then GLAS, as the agent for the
16	page. So this, Your Honor, is the credit agreement,	16	lenders, is able to send a notice of default and
17	the primary document. It's dated November 24, 2021.	17	acceleration. And that's what triggers the
18	That's JX 21. If you could jump to page 129 of the	18	contractual remedies.
19	JX. That's it. This is the article that's being	19	So they have these specified defaults,
20	amended, the other article that's being amended by	20	things that have already happened. They define them
21	that amendment. And it's called "Article VIII Events	21	as defaults, and they stick the cure period in the
22	of Default."	22	section of the contract that expressly deals with
23	And it starts out "Events of Default.	23	events of default.
24	If any of the following events (each, an 'Event of	24	And then, as Your Honor mentioned, it
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	D 44		D 40
1	Page 14	1	Page 16
1 2	Default') shall occur:" And then the new language	1 2	doesn't actually become a default until the cure
2	Default') shall occur:" And then the new language from the amendment that we looked at gets added to	2	doesn't actually become a default until the cure period expires.
2	Default') shall occur:" And then the new language from the amendment that we looked at gets added to paragraph (e) down there, that's where the new	2	doesn't actually become a default until the cure period expires. So could we go back to the PowerPoint.
2 3 4	Default') shall occur:" And then the new language from the amendment that we looked at gets added to paragraph (e) down there, that's where the new language would be added, with regards to the	2 3 4	doesn't actually become a default until the cure period expires. So could we go back to the PowerPoint. So here, we were on Amendment No. 2.
2 3 4 5	Default') shall occur:" And then the new language from the amendment that we looked at gets added to paragraph (e) down there, that's where the new language would be added, with regards to the "Specified Defaults."	2 3 4 5	doesn't actually become a default until the cure period expires. So could we go back to the PowerPoint. So here, we were on Amendment No. 2. Let's go to Amendment No. 3. Amendment No. 3 is
2 3 4 5 6	Default') shall occur:" And then the new language from the amendment that we looked at gets added to paragraph (e) down there, that's where the new language would be added, with regards to the "Specified Defaults." So the fact that they put the	2 3 4 5 6	doesn't actually become a default until the cure period expires. So could we go back to the PowerPoint. So here, we were on Amendment No. 2. Let's go to Amendment No. 3. Amendment No. 3 is exactly 45 days after Amendment No. 2. And that's
2 3 4 5 6 7	Default') shall occur:" And then the new language from the amendment that we looked at gets added to paragraph (e) down there, that's where the new language would be added, with regards to the "Specified Defaults." So the fact that they put the reference to the "Specified Defaults" in the section	2 3 4 5 6 7	doesn't actually become a default until the cure period expires. So could we go back to the PowerPoint. So here, we were on Amendment No. 2. Let's go to Amendment No. 3. Amendment No. 3 is exactly 45 days after Amendment No. 2. And that's because the 45-day period expired on November 24th,
2 3 4 5 6 7 8	Default') shall occur:" And then the new language from the amendment that we looked at gets added to paragraph (e) down there, that's where the new language would be added, with regards to the "Specified Defaults." So the fact that they put the reference to the "Specified Defaults" in the section of the contract that deals with events of default,	2 3 4 5 6 7 8	doesn't actually become a default until the cure period expires. So could we go back to the PowerPoint. So here, we were on Amendment No. 2. Let's go to Amendment No. 3. Amendment No. 3 is exactly 45 days after Amendment No. 2. And that's because the 45-day period expired on November 24th, 2022, and there was no cure of the specified defaults.
2 3 4 5 6 7 8 9	Default') shall occur:" And then the new language from the amendment that we looked at gets added to paragraph (e) down there, that's where the new language would be added, with regards to the "Specified Defaults." So the fact that they put the reference to the "Specified Defaults" in the section of the contract that deals with events of default, that proves that the parties intended those to be	2 3 4 5 6 7	doesn't actually become a default until the cure period expires. So could we go back to the PowerPoint. So here, we were on Amendment No. 2. Let's go to Amendment No. 3. Amendment No. 3 is exactly 45 days after Amendment No. 2. And that's because the 45-day period expired on November 24th,
2 3 4 5 6 7 8	Default') shall occur:" And then the new language from the amendment that we looked at gets added to paragraph (e) down there, that's where the new language would be added, with regards to the "Specified Defaults." So the fact that they put the reference to the "Specified Defaults" in the section of the contract that deals with events of default,	2 3 4 5 6 7 8 9	doesn't actually become a default until the cure period expires. So could we go back to the PowerPoint. So here, we were on Amendment No. 2. Let's go to Amendment No. 3. Amendment No. 3 is exactly 45 days after Amendment No. 2. And that's because the 45-day period expired on November 24th, 2022, and there was no cure of the specified defaults. And so, therefore, on that day, the parties enter into
2 3 4 5 6 7 8 9	Default') shall occur:" And then the new language from the amendment that we looked at gets added to paragraph (e) down there, that's where the new language would be added, with regards to the "Specified Defaults." So the fact that they put the reference to the "Specified Defaults" in the section of the contract that deals with events of default, that proves that the parties intended those to be defaults. And if they weren't cured, they would become events of defaults. That's the way the	2 3 4 5 6 7 8 9	doesn't actually become a default until the cure period expires. So could we go back to the PowerPoint. So here, we were on Amendment No. 2. Let's go to Amendment No. 3. Amendment No. 3 is exactly 45 days after Amendment No. 2. And that's because the 45-day period expired on November 24th, 2022, and there was no cure of the specified defaults. And so, therefore, on that day, the parties enter into Amendment No. 3.
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2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	Default') shall occur:" And then the new language from the amendment that we looked at gets added to paragraph (e) down there, that's where the new language would be added, with regards to the "Specified Defaults." So the fact that they put the reference to the "Specified Defaults" in the section of the contract that deals with events of default, that proves that the parties intended those to be defaults. And if they weren't cured, they would become events of defaults. That's the way the contract works. If you breach it, that's a default. But then there's a cure period. And if you don't cure within that period, it matures into an event of default. So the argument that we have from the other side today that, well, these things weren't real defaults is clearly wrong. The parties put the language right in the section of the contract that deals with events of default. THE COURT: I understood your argument when you began, under Section 1(a) of the second	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	doesn't actually become a default until the cure period expires. So could we go back to the PowerPoint. So here, we were on Amendment No. 2. Let's go to Amendment No. 3. Amendment No. 3 is exactly 45 days after Amendment No. 2. And that's because the 45-day period expired on November 24th, 2022, and there was no cure of the specified defaults. And so, therefore, on that day, the parties enter into Amendment No. 3. And in Amendment No. 3, BYJU's acknowledges and agrees that the cure period has expired without the specified defaults being cured. And then it goes on and it says that they acknowledge and agree that, therefore, GLAS is entitled to send a notice of default and acceleration. So they recognize right there that it's an event of default and we're entitled to accelerate the loan. And then, but nonetheless, the lenders agree to forbear. So just to look at the actual language of the document, it's JX 175. Here you see Amendment No. 3, November 24th, 2022. If we go to page 2. And
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	Default') shall occur:" And then the new language from the amendment that we looked at gets added to paragraph (e) down there, that's where the new language would be added, with regards to the "Specified Defaults." So the fact that they put the reference to the "Specified Defaults" in the section of the contract that deals with events of default, that proves that the parties intended those to be defaults. And if they weren't cured, they would become events of defaults. That's the way the contract works. If you breach it, that's a default. But then there's a cure period. And if you don't cure within that period, it matures into an event of default. So the argument that we have from the other side today that, well, these things weren't real defaults is clearly wrong. The parties put the language right in the section of the contract that deals with events of default. THE COURT: I understood your argument when you began, under Section 1(a) of the second amendment, to say, well, look, these are defined	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	doesn't actually become a default until the cure period expires. So could we go back to the PowerPoint. So here, we were on Amendment No. 2. Let's go to Amendment No. 3. Amendment No. 3 is exactly 45 days after Amendment No. 2. And that's because the 45-day period expired on November 24th, 2022, and there was no cure of the specified defaults. And so, therefore, on that day, the parties enter into Amendment No. 3. And in Amendment No. 3, BYJU's acknowledges and agrees that the cure period has expired without the specified defaults being cured. And then it goes on and it says that they acknowledge and agree that, therefore, GLAS is entitled to send a notice of default and acceleration. So they recognize right there that it's an event of default and we're entitled to accelerate the loan. And then, but nonetheless, the lenders agree to forbear. So just to look at the actual language of the document, it's JX 175. Here you see Amendment No. 3, November 24th, 2022. If we go to page 2. And you have Section 1(a) at the top.

Page 17 advorwiedged and agreed by the parties hareful bat (i) the Cure Period for the Specified Defaults ordered to in Amendment N. 24 experied on November 24, 2022" - that's the date of the N. 3 amendment - "without any of the Specified Defaults being under by the Loan Parties, and (i) sentitles" - writted - "no or for November 24, 2022" - that's the date of befaults being under by the Loan Parties, and (i) sentitles" - writted - "no or for November 25, 2022, request the Administrative Agent to deliver to the Loan Parties the Specified bottoe of Default and The Coeleration So they admit that they don't oure So they admit that they don't oure which experts in Firm Sorn, There is Sir Which all the notice of default and accelerate the loan Now, this document is actually signed by the defendant. And if we can go to page 5. This do all the notice of default and accelerate the loan Now, this is the parties throughout this entire parties Again and Tangitle Play. So, again, we thrink they Again and Tangitle Play. So, again, we thrink they Again and Tangitle Play. So, again, we thrink they Again to expert the concerns of this lendors. And was saw that Characters' Cooler Recontrals Page 18 Page 18 Page 18 Page 18 Page 19 Agreement." It's dated January 8. And if you go down in Amendment No. 2. It refers to the Cure Period "from Amendment No. 2. It refers to the Cure Period "from Amendment No. 2. It refers to the Cure Period "from Amendment No. 2. It refers to the Cure Period "from Amendment No. 2. It refers to the Cure Period "from Amendment No. 2. It refers to the Cure Period "from Amendment No. 2. It refers to the Cure Period "from Amendment No. 2. It refers to the Cure Period "from Amendment No. 2. It refers to the Cure Period "from Amendment No. 2. It refers to the Cure Period "from Amendment No. 2. It refers to the Cure Period "from Amendment No. 2. It refers to the Cure Period Amendment November 25, 2022 (projected the Administrative November 25, 2022 (projected the Administrative November 25, 2022 (pro	acknowledged and agreed by the parties hereto that (i) the Cure Period for the Specified Defaults referred to in Amendment No. 2 will expire or has expired on November 24, 2022" – that's the date of this No. 3 amendment – "without any of the Specified Defaults being cured by the Loan Parties, and (ii) [says] the Required Lenders will be or are therefore	Agreement." It's dated January 6. And if you go down to the bottom whereas clause, you see it refers to the "Specified Defaults" that we looked at in Amendment No. 2. It refers to the "Cure Period" from Amendment No. 3. And then if you go to kind of in the middle, it says — where you see "and such Cure Period." "And such Cure Period expired without the specified defaults being cured, and, therefore, from November 25th, the Lenders are" — I lost my spot —
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4 expired on November 24, 2022" - that's the date of 5 this No. 3 amendment. A 2022" - that's the date of 5 this No. 3 amendment. Without any of the Specified Collada's being cared by the Lean Parties, and (ii) 6 care therefore 8 entitled" - entitled "- to, or of from November 25, 9 2022 request the Administrative Agent to eliver to 9 specified detaults being cared, and, therefore, Class is entitled to 11 Acceleration." So they admit that they didn't care within the period, and, therefore, Class is entitled to 21 the class and 12 the rotice of default and accelerate the loan. Nov. this document is actually signed to 4 the total parties, and the induces EVIUs 14 have been trying to negotiate a resolution. The landscare the technique for the company trying to negotiate a resolution. The landscare the trackers where the care that reduced these events of default. 23 So five could go back to the 24 PowerPoint, the parties throughout this entire period cared singerner that resolves the concerns of the lenders. And the sandous the search of the company trying to negotiate a resolution. The landscare for the company trying to negotiate terms of a revised crack landscare that resolves the concerns of the lenders. And we saw that there was a fortecarance to December 1st. Wile get to 9 the company trying to negotiate terms of a revised crack landscare that resolves the concerns of the lenders. And we saw that there was a fortecarance to December 1st. Wile get to 9 the parties are elitable of the company trying to negotiate terms of the lenders. And we saw that there was a fortecarance to December 1st. Wile get to 9 the parties are elitable of the parties throughout this entire period 2 the condition of the side again 3 accordance to December 1st. Wile get to 9 the parties are elitable of the particle o	 referred to in Amendment No. 2 will expire or has expired on November 24, 2022" – that's the date of this No. 3 amendment – "without any of the Specified Defaults being cured by the Loan Parties, and (ii) [says] the Required Lenders will be or are therefore 	3 "Specified Defaults" that we looked at in Amendment 4 No. 2. It refers to the "Cure Period" from Amendment 5 No. 3. 6 And then if you go to kind of in the 7 middle, it says where you see "and such Cure 8 Period." "And such Cure Period expired without the 9 specified defaults being cured, and, therefore, from 10 November 25th, the Lenders are" - I lost my spot
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CHANCERY COURT REPORTERS CHANCERY COURT REPORTERS	CHANCERY COURT REPORTERS	CHANCERY COURT REPORTERS

	Page 21		Page 23
1	to this signature by Mr. Riju, Riju Ravindran, and	1	back to the PowerPoint.
2	make a note that I took his deposition in this matter	2	THE COURT: Your last point about the
3	and I asked him about this amendment, and I asked him	3	role of Think and Learn in all of this, is it it
4	about the prior amendment that he signed. And he	4	seemed to be, though, that everyone agreed that this
5	disavowed any understanding of the documents that he	5	entity that signed these agreements is essentially
6	signed. He said they are prepared by counsel; I don't	6	just a holdco for the loan.
7	know what these mean. And that's at deposition pages	7	ATTORNEY CZESCHIN: Yes, BYJU's Alpha
8	125 to 127, page 129, and page 144 to 147.	8	is a wholly owned, indirect subsidiary of Think and
9	Mr. Ravindran also walked away from	9	Learn. It was formed for the sole purpose of being
10	the credit agreement itself, which he signed four	10	the borrower under the loan.
11	times. He signed it on behalf of four different	11	THE COURT: So it's not surprising
12	entities. But when I tried to ask him about it, he	12	that it's not the one actually making sort of the
13	said, "I just glanced at it," was the language that he	13	business decisions about how to handle the loan.
14	used, and that he relied on others. And that's at	14	ATTORNEY CZESCHIN: Perhaps. But it
15	page 51 of the deposition.	15	is surprising that Mr. Riju Ravindran, who is also a
16	Mr. Ravindran, also under the credit	16	director of Think and Learn, he is on the board of
17	agreement, provided certain compliance certificates to	17	Think and Learn, as well, and he signed a lot of these
18	GLAS and the lenders. And those compliance	18	documents. And he literally said, I don't know. I
19	certificates were supposed to say that the financial	19	can't tell you what this means. I have no
20	statements that were provided you know, they did	20	understanding of this document. And he just
21	provide some financial information, and those	21	disallowed them completely.
22	compliance certificates were supposed to verify that	22	I think that becomes relevant to the
23	that information is true and correct. And Mr. Riju	23	extent we might hear from the other side that they are
24	Ravindran signed them.	24	going to rely on some of his declarations that have
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 22		Page 24
1	And he signed them as an officer, a	1	been signed in this case. And we object to those
2	financial officer of Think and Learn, is what it says,	2	declarations as hearsay. The parties agreed in the
3	on the document. And I asked him, are you a financial	3	
4			pretrial order that depositions could be relied on.
	officer of Think and Learn?	4	We didn't say anything about the declarations that
5	He said, no, I'm not part of the	4 5	We didn't say anything about the declarations that Mr. Ravindran signed. And we think it's pretty clear
5 6			We didn't say anything about the declarations that
	He said, no, I'm not part of the	5	We didn't say anything about the declarations that Mr. Ravindran signed. And we think it's pretty clear he just signs things that are drafted by other people. So that's why we are objecting to those declarations.
6 7 8	He said, no, I'm not part of the finance department.	5 6 7 8	We didn't say anything about the declarations that Mr. Ravindran signed. And we think it's pretty clear he just signs things that are drafted by other people. So that's why we are objecting to those declarations. THE COURT: Does the record contain
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	Page 25		Page 27
1	law firm on the other side, which was Linklaters.	1	didn't get the audited financials on time, and they
2	THE COURT: I suppose what I was	2	weren't getting compliant quarterly financials. So he
3	trying to figure out and again, when we do these	3	makes clear in these quotes on the slide that as a
4	trials on a paper record, and especially because I	4	financial professional, and the lenders as lenders,
5	only have one round of briefing, you-all know a lot	5	the longer this went on that they weren't getting the
6	more than I do. What I'm trying to figure out is,	6	information from BYJU's, the more concerned they
7	I've heard you say, well, Mr. Ravindran, he signed	7	became about the financial condition of the company.
8	these things; he's disallowing responsibility. The	8	And I think that's a very
9	responsibility goes up the chain to Think and Learn.	9	legitimate legitimate concern on behalf of the
10	And to what extent was the significance or meaning of	10	lenders.
11	these documents explored with Think and Learn	11	So then, eventually, the parties had
12	decision-makers in this action?	12	been discussing for over eight months, and the
13	ATTORNEY CZESCHIN: Well, again, other	13	negotiations had just ceased to be productive. So the
14	than Mr. Ravindran, there were no other depositions of	14	"Required Lenders" – and that's a defined term in the
15	the other side. But Mr. Ravindran is a director of	15	credit agreement, and it means lenders holding more
16	Think and Learn. And he's a founder of Think and	16	than 50 percent of the outstanding term loans.
17	Learn, and he signs the documents. I think he I	17	Remember, the loan is syndicated, so there's a lot of
18	mean, he has authority at Think and Learn. He just	18	different holders, and you have to get more than
19	didn't want to answer my questions. So he just said	19	50 percent to sign on to direct GLAS to exercise
20	he didn't understand any of the documents.	20	contractual remedies.
21	So going on to the PowerPoint, if that	21	So on March 3rd, they go ahead and do
22	addressed Your Honor's concern.	22	that. And GLAS then sends to BYJU's a notice of
23	THE COURT: Thank you.	23	default and a notice of acceleration. And upon the
24	ATTORNEY CZESCHIN: Again, as I said	24	delivery of that document is when the principal
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
4	Page 26		Page 28
1	before, there were negotiations going on for an	1	balance of the term loans, which was nearly
2	before, there were negotiations going on for an extended period of time, and that's when all of these	2	balance of the term loans, which was nearly \$1.2 billion, became due and payable immediately.
2	before, there were negotiations going on for an extended period of time, and that's when all of these amendments were being signed, as the parties were	2	balance of the term loans, which was nearly \$1.2 billion, became due and payable immediately. And then we go to the next slide —
2 3 4	before, there were negotiations going on for an extended period of time, and that's when all of these amendments were being signed, as the parties were trying to get to a negotiated resolution. And during	2 3 4	\$1.2 billion, became due and payable immediately. And then we go to the next slide — THE COURT: Before we move on, could
2 3 4 5	before, there were negotiations going on for an extended period of time, and that's when all of these amendments were being signed, as the parties were trying to get to a negotiated resolution. And during that time period, the lenders had very legitimate	2 3 4 5	\$1.2 billion, became due and payable immediately. And then we go to the next slide — THE COURT: Before we move on, could you explain to me your understanding of BYJU's ability
2 3 4 5 6	before, there were negotiations going on for an extended period of time, and that's when all of these amendments were being signed, as the parties were trying to get to a negotiated resolution. And during that time period, the lenders had very legitimate concerns.	2 3 4 5 6	\$1.2 billion, became due and payable immediately. And then we go to the next slide — THE COURT: Before we move on, could you explain to me your understanding of BYJU's ability to disqualify lenders up until this point.
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	Page 29		Page	31
1	that they don't take that power away. I will confirm	1	And those are the mechanical steps	
2	whether or not there's any mention of the	2	that he talked about at the beginning, the point	
3	disqualification in the amendments.	3	number 2. And unlike a lot of Section 225 actions	
4	But they didn't exercise that right	4	where you talk about the mechanical steps, there's no	
5	until after this litigation was filed. After the	5	challenge from the other side as to how GLAS went	
6	litigation was filed, a couple months after, they	6	about executing under the documents. So that is not	
7	purport to send a notice of disqualification. But	7	an issue in this case.	
8	during the time period when they say the oppression	8	So then we go on. After the exercise	
9	was happening, they didn't do anything to exercise	9	of remedies so after we sent them the notice that	
10	their disqualification right that, you know, could	10	there was a default and an acceleration of the loan,	
11	affect the lender's rights. So I think that's	11	and that Mr. Riju Ravindran was removed Mr. Byju	
12	significant as to the merits of their duress	12	Raveendran, who is Riju's brother and is the founder	
13	arguments.	13	and CEO of the whole company BYJU's, he requests that	
14	So moving on to the next slide.	14	negotiations start up again. So the parties say, the	
15	The notice of default so the notice	15	lenders say, okay, we're happy to negotiate. And they	
16	of default, when it gets delivered, it has a number of	16	start negotiating again for several weeks. And during	
17	effects. One is it causes the loan to accelerate.	17	that period, the plaintiffs determine that it didn't	
18	But the other is that it's a trigger event under the	18	make sense to file the lawsuit if there were	
19	security agreement and the pledge agreement. So when	19	productive negotiations going on. And Mr. Pohl	
20	that notice of default gets delivered, GLAS becomes	20	testified to that.	
21	authorized to vote all of the pledged shares. And the	21	And so they delayed in filing the	
22	pledged shares are 100 percent of the stock of BYJU's	22	lawsuit so that these discussions could go on between	
23	Alpha.	23	the parties, but by May 3rd, those discussions had	
24	Now, in the documents, BYJU's Pte. –	24	failed again, and so the plaintiffs go ahead and file	
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS	
	Page 30		Page :	32
1	Page 30 which is the direct parent of BYJU's Alpha, and then	1	Page : this action.	32
1 2	-	1 2		32
	which is the direct parent of BYJU's Alpha, and then		this action.	32
2	which is the direct parent of BYJU's Alpha, and then Think and Learn is above that BYJU's Pte. also said	2	this action. And then just one significant	32
3	which is the direct parent of BYJU's Alpha, and then Think and Learn is above that — BYJU's Pte. also said in the documents that it irrevocably appoints GLAS as	2	this action. And then just one significant post-filing event that occurred is that Mr. Pohl, once	32
2 3 4	which is the direct parent of BYJU's Alpha, and then Think and Learn is above that BYJU's Pte. also said in the documents that it irrevocably appoints GLAS as its attorney-in-fact to take all actions necessary to	2 3 4	this action. And then just one significant post-filing event that occurred is that Mr. Pohl, once he comes in as the designated sole director under the	32
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2 3 4 5 6 7 8	which is the direct parent of BYJU's Alpha, and then Think and Learn is above that — BYJU's Pte. also said in the documents that it irrevocably appoints GLAS as its attorney-in-fact to take all actions necessary to accomplish all purposes of the pledge agreement. And then, in Section 7.1 of the pledge agreement, it	2 3 4 5 6	this action. And then just one significant post-filing event that occurred is that Mr. Pohl, once he comes in as the designated sole director under the status quo order, he gains access to the bank accounts, and he discovers that each of the accounts has less than a million dollars in it. And as a result, BYJU's Alpha, which is the borrower entity, it	32
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	Page 33			Page 35
1	background of what happened here. And to turn to the	1	No. 7.	9
2	legal argument, again, we think that the key point is	2	I will show you that this provision	
3	that unambiguous agreements among sophisticated	3	appears four times in the agreement.	
4	parties ought to be enforced. And the defendants want	4	Amendment No. 7. I forget the JX	
5	you, as the Court, to abandon that bedrock principle.	5	number. 187. Can you go to the front page just to	
6	They ask you to ignore the amendments.	6	make sure we're on the same document.	
7	They pretend like they didn't exist. They misconstrue	7	All right. So this is Amendment	
8	some of the language in the original credit agreement.	8	No. 7. And then if you go to page 6. Page 6, you see	
9	They rely on this equitable exception that we think is	9	what we looked at before, 3(a)(ii), there's a	
10	inapplicable here, from New York law. They raise a	10	reference that "none of the Specified Defaults as	
11	duress argument. I don't think I've ever seen an	11	referred to in [] Amendment No. 2 can be cured or	
12	economic duress argument before. They raise	12	remedied following the date of this	
13	impossibility. And, finally, they rely heavily on	13	Agreement"	
14	unclean hands, which is, I think, indicative of just	14	That trumps Section 111. And that's	
15	how weak their case is, if you are relying so heavily	15	so important that they include it again on page 11.	
16	on unclean hands when it clearly doesn't apply.	16	Let's go to page 11. And you see Section 5(h) at the	
17	So going on to the next slide, just to	17	top of that page. And, there again it says, "none" –	
18	deal with the specific arguments that the other side	18	if you look down at the bottom of that paragraph	
19	is making. Starting with their contract arguments,	19	about the middle of the paragraph, "none of the	
20	they rely on this Section 111 of the credit agreement.	20	Specified Defaults can be cured or remedied (or deemed	I
21	And Section 111 says that if there's a default that's	21	to be cured [and] remedied) until specifically waived	•
22	occurring because of the failure to provide	22	by the [] Lenders"	
23	information by the required date, that shall	23	So they put it in there a second time.	
24	provided that there has not been any acceleration of	24	Then let's go to the next page, and	
24		2-		
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS	
	Page 34			Page 36
1	Page 34 the loan, shall be deemed cured upon the delivery of	1	you have Section 6(c). And let's blow up that	Page 36
1 2		1 2	you have Section 6(c). And let's blow up that all-caps language at the bottom of that paragraph.	Page 36
	the loan, shall be deemed cured upon the delivery of the information. So this is a provision of the credit		all-caps language at the bottom of that paragraph. So the all-caps language at the botto	_
2	the loan, shall be deemed cured upon the delivery of the information.	2	all-caps language at the bottom of that paragraph.	_
2	the loan, shall be deemed cured upon the delivery of the information. So this is a provision of the credit agreement that says, for delivery of financial information, for example, there is only a 45-day cure	2	all-caps language at the bottom of that paragraph. So the all-caps language at the botto says, "The parent guarantor (for itself and as agent for the other loan parties)" — that would be	_
2 3 4	the loan, shall be deemed cured upon the delivery of the information. So this is a provision of the credit agreement that says, for delivery of financial	2 3 4	all-caps language at the bottom of that paragraph. So the all-caps language at the botto says, "The parent guarantor (for itself and as agent	_
2 3 4 5	the loan, shall be deemed cured upon the delivery of the information. So this is a provision of the credit agreement that says, for delivery of financial information, for example, there is only a 45-day cure period in the contract, if you look at Section 8.1. And this says, well, if you miss that cure period, you	2 3 4	all-caps language at the bottom of that paragraph. So the all-caps language at the botto says, "The parent guarantor (for itself and as agent for the other loan parties)" — that would be Tangible Play and BYJU's Alpha — "hereby irrevocably and unconditionally waives in all respects any right	_
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	Page 37		Page 39
1	Sean.	1	5.17, which the other side relies upon. They actually
2	So their Section 111 argument also	2	quote this in their brief. And they say that it says,
3	fails, because by the terms of Section 111 itself, it	3	"For avoidance of doubt, [] any failure to obtain the
4	doesn't apply once the loans are accelerated. And	4	RBI approval prior to April 1, 2022 shall not
5	here, the loan has been accelerated. The notice of	5	cause a breach of the Guarantee Maintenance
6	acceleration was sent on March 3rd. And there hasn't	6	Requirement or require any mandatory prepayment of the
7	been any cure. As we stand here today, they haven't	7	Term Loans"
8	provided us the audited financial statements. They	8	And they cite this as if it's helpful
9	haven't provided us the quarterly information that	9	for them, but it's not. Because what it says is that
10	they failed to provide. And they haven't had Whitehat	10	if you fail to get this guarantee prior to April 1,
11	accede to the agreement. So all of the defaults are	11	it's not a breach. It doesn't say anything about on
12	still in effect. They've never been cured. And	12	April 1 or after April 1. The obligation under the
13	there's been an acceleration of the loan. So even	13	contract is to get the additional guarantee by
14	without Amendment No. 7, this Section 111 does not	14	April 1. If you don't get it by April 1, it's a
15	apply.	15	breach. That's the only way to read the language.
16	So that takes us to their next	16	This is referring to prior to April 1, it's not a
17	contract argument. The next provision that they	17	breach.
18	lost it. There it goes.	18	THE COURT: Can you back up on this
19	The next provision that they rely on	19	point.
20	in the contract is Section 5.17(d). And this is in	20	ATTORNEY CZESCHIN: Sure.
21	the original credit agreement. And this concerns the	21	THE COURT: And just explain to me
22	Whitehat India guarantee. It's the requirement that	22	your broader theory of how 5.9(c) and 5.17(d) either
23	Whitehat India sign on as an additional guarantor by	23	work together or don't.
24	April 1st, 2022. And they rely on the first sentence	24	ATTORNEY CZESCHIN: Yeah. They work
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
		_	
	Page 38		Page 40
1	Page 38 here that says. "Without prejudice to the Guarantee	1	Page 40 together because in 5.9(c), it says that the Whitehat
1 2	here that says, "Without prejudice to the Guarantee	1 2	together because in 5.9(c), it says that the Whitehat
	here that says, "Without prejudice to the Guarantee Maintenance Requirement, the Parent Guarantor will use	1 2 3	together because in 5.9(c), it says that the Whitehat entity must accede to the guarantee and become an
2	here that says, "Without prejudice to the Guarantee	2	together because in 5.9(c), it says that the Whitehat entity must accede to the guarantee and become an additional guarantor by April 1. It is a
2	here that says, "Without prejudice to the Guarantee Maintenance Requirement, the Parent Guarantor will use its reasonable commercial efforts to procure the RBI	2	together because in 5.9(c), it says that the Whitehat entity must accede to the guarantee and become an
2 3 4	here that says, "Without prejudice to the Guarantee Maintenance Requirement, the Parent Guarantor will use its reasonable commercial efforts to procure the RBI Approval on or prior to April 1, 2022"	2 3 4	together because in 5.9(c), it says that the Whitehat entity must accede to the guarantee and become an additional guarantor by April 1. It is a hard-and-fast date that was negotiated by the parties.
2 3 4 5	here that says, "Without prejudice to the Guarantee Maintenance Requirement, the Parent Guarantor will use its reasonable commercial efforts to procure the RBI Approval on or prior to April 1, 2022" And "RBI Approval," that refers to the	2 3 4 5	together because in 5.9(c), it says that the Whitehat entity must accede to the guarantee and become an additional guarantor by April 1. It is a hard-and-fast date that was negotiated by the parties. THE COURT: April 1. And then it says
2 3 4 5 6	here that says, "Without prejudice to the Guarantee Maintenance Requirement, the Parent Guarantor will use its reasonable commercial efforts to procure the RBI Approval on or prior to April 1, 2022" And "RBI Approval," that refers to the Reserve Bank of India. That's a governmental entity	2 3 4 5 6	together because in 5.9(c), it says that the Whitehat entity must accede to the guarantee and become an additional guarantor by April 1. It is a hard-and-fast date that was negotiated by the parties. THE COURT: April 1. And then it says "and" within five business days of the date RBI
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2 3 4 5 6 7 8	here that says, "Without prejudice to the Guarantee Maintenance Requirement, the Parent Guarantor will use its reasonable commercial efforts to procure the RBI Approval on or prior to April 1, 2022" And "RBI Approval," that refers to the Reserve Bank of India. That's a governmental entity in India that has to approve whenever an Indian entity signs on for a loan or a guarantee of this magnitude.	2 3 4 5 6 7 8	together because in 5.9(c), it says that the Whitehat entity must accede to the guarantee and become an additional guarantor by April 1. It is a hard-and-fast date that was negotiated by the parties. THE COURT: April 1. And then it says "and" within five business days of the date RBI approval is received. ATTORNEY CZESCHIN: Right. It's the
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	Page 41		Page 43
1	Learn a few months earlier for \$300 million. And so	1	ATTORNEY CZESCHIN: Yep.
2	it was important to get that guarantee from Whitehat,	2	THE COURT: Is that acceleration?
3	and they wanted it on day one. But the parties	3	ATTORNEY CZESCHIN: That's
4	negotiated, the lenders agreed, that, well, you can	4	acceleration. And that's what happened here. But
5	have until April 1 to get us that guarantee. And that	5	that exception that Your Honor is reading from, if you
6	is a hard-and-fast date.	6	look at the language, it says prior to April 1, 2022.
7	What Section 5.17 refers to is, well,	7	It doesn't say anything about on April 1, 2022. On
8	you have to use reasonable commercial efforts to try	8	April 1, 2022, and thereafter, it is a breach. And
9	to get the approval, and if you don't get it before	9	that's how Section 5.17 —
10	April 1, that's not a breach. But it doesn't say	10	THE COURT: In a world in which parent
11	anything about what happens on April 1. What happens	11	guarantor used reasonable commercial efforts and it
12	on April 1 is what's in 5.9(c).	12	just didn't work out, where does it say that that's a
13	I just want to make sure that Your	13	breach?
14	Honor doesn't have any more questions about that.	14	ATTORNEY CZESCHIN: Well, then you go
15	THE COURT: This is probably a really	15	back to 5.1(c). 5.9(c). Sorry, 5.9(c). That says,
16	basic question. 5.17(d), when it says it "shall not	16	"On [or] from the earlier of [] April 1, 2022 [or] []
17	cause a breach of the Guarantee Maintenance	17	within five Business Days of RBI approval"
18	Requirement or require any mandatory prepayment of the	18	So "the earlier of" would mean – because they didn't
19	Term Loans," are either of those coterminous with	19	get RBI approval. That's the issue, that they're not
20	5.9(c)?	20	able to get RBI approval, they say. And, therefore,
21	ATTORNEY CZESCHIN: Sorry. I'm just	21	"the earlier of" would be April 1. And that's
22	trying to get – what was the language Your Honor is	22	that's a breach, if you don't have it by April 1.
23	on?	23	And they can't rely on 5.17, because
24	THE COURT: It's the "any failure to	24	that's just saying the failure to get it before
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
,	Page 42		Page 44
1	obtain the RBI approval prior to April 1 shall not	1	April 1 isn't a breach. And that's because the
2	cause a breach of," and then there's two things	2	lenders originally wanted this on day one. They
3	that are enumerated: the guarantee maintenance	3	originally wanted this guarantee on November 24th,
4	requirement, and then it says, and it shall not	4	2021. But they agreed to push the date out to
5	"require any mandatory prepayment of the term loans." ATTORNEY CZESCHIN: Right.	5	April 1. They later, also, in Amendment No. 1,
6	_	6	
7	THE COURT: So just to kind of unpack	7	they push it out another six months to October 8th.
8	what that means, is the guarantee maintenance	8	But they wanted that guarantee. And the failure to
9	requirement, is that 5.9(c), or is that something else?	9	get that guarantee is a breach under 5.9(c).
11	ATTORNEY CZESCHIN: That's something	11	THE COURT: So I agree with you that Whitehat India not acceding to the agreement by
12	else. That's the – I think the – there's a minimum	12	April 1, or the other deadline under RBI approval, is
13	requirement of total amount of guarantee. We're not	13	a breach. What I'm not quite understanding is how you
14	arguing based on the guarantee maintenance	14	read the covenant to use reasonable commercial efforts
15	requirement. But it is still a breach of 5.9(c),	15	in 5.14(d) to say that if — let's pretend that they
16	because there was a specific obligation by the	16	did use reasonable commercial efforts – why a failure
17	borrower to get this additional guarantee by April 1.	17	to procure RBI approval is itself a breach.
18	THE COURT: Well, that's what I'm	18	ATTORNEY CZESCHIN: So what the
19		19	parties agreed to in 5.17(d) is because the lenders
20	trying to figure out. Okay. So let me stop before we move on to that.	20	wanted this as soon as possible, that they had to use
21	My second question in 5.17(d), "any	21	commercially reasonable efforts to try to get it. And
22	failure to obtain [] RBI approval shall not	22	so that's what they had to do in that period up until
23	ianare to obtain [] i wi approval shall not	23	April 1. If they weren't using commercially
	require any mandatory prepayment of the Term		CONTRACTOR OF THE PROPERTY OF
	require any mandatory prepayment of the Term		
24	require any mandatory prepayment of the Term Loans" CHANCERY COURT REPORTERS	24	reasonable efforts, that would have been a breach even

	Page 45		Page 47
1	before April 1. But it doesn't say anything that	1	argument doesn't work is the amendments that we looked
2	doesn't mean that if you get to April 1 and you don't	2	at earlier. The amendments define as part of the
3	have the guarantee, that it's not a breach.	3	specified defaults their failure to have Whitehat
4	THE COURT: But I think your position	4	accede to the loan by April 1.
5	requires something slightly different, which is for	5	If we, you know, go back to Amendment
6	you to show me in this contract that the mere fact of	6	No. 2, Sean that is JX 168 and if you take a
7	not having RBI approval by April 1 is a breach.	7	look at page 2 or well, page 1 first. Sorry. Do
8	ATTORNEY CZESCHIN: And that is	8	you see that it says "Specified Defaults," and it has
9	5.1(c). That's	9	an (a), a (b), and if you go to (c) on page 2, one of
10	THE COURT: 5.9(c)?	10	the specified defaults is "the failure of Whitehat
11	ATTORNEY CZESCHIN: 5.9(c), yes.	11	India to accede to this Agreement and [to] the []
12	5.9(c). It says on the earlier of April 1 or five	12	Guarantee [] as a Guarantor" So the other reason
13	business days from RBI approval. That's a	13	that their reliance on Section 5.17(d) doesn't work is
14	hard-and-fast deadline that the parties agreed to.	14	because they've already agreed that their failure to
15	And we refer to a document in the negotiations I	15	get the the guarantee from Whitehat is a specified
16	think it's JX No. 8 at page 3 – that shows that the	16	default in the amendments.
17	parties agreed that that was a hard-and-fast date.	17	And again, as I mentioned, the record
18	THE COURT: Again, I follow you there,	18	shows, this was an intentionally negotiated point, and
19	that April 1 is a hard-and-fast date. But it seems to	19	we refer to JX 8 at page 3.
20	me that there's kind of a black box between - I think	20	So if Your Honor doesn't have any
21	we agree they have an obligation to use RCEs on or	21	other questions on that 5.17 point, I will go forward.
22	before April 1 to get that approval. And I think we	22	THE COURT: No. Thank you.
23	also agree that RBI approval is sort of a	23	ATTORNEY CZESCHIN: Okay. So if we go
24	prerequisite, if you will, to Whitehat India acceding	24	back to the PowerPoint, so those are all of their
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 46		Page 48
1	to the agreement and that if Whitehat India does not	1	contract arguments, 111 and 117(d). Then they switch
2	accede, that is a breach. But that intermediate step	2	to these extra-contractual arguments. And the first
3	of RBI approval itself being a breach, the lack of RBI	3	one is that they rely on an equitable doctrine in New
4	approval by April 1 being a breach, that's where I'm	4	York that trivial defaults can't support the
5	not quite seeing that jump off the page to me.	5	acceleration of debt. But that just simply isn't
6	ATTORNEY CZESCHIN: Yeah, no. The	6	applicable here. Here, equity should not intervene
7	lack of RBI approval is not the breach. The breach is	7	where you have a sophisticated party who expressly
8	the failure to get the guarantee.	8	agreed that the conduct at issue constitutes a
9	THE COURT: Okay. Thank you.	9	specified default. And they expressly agreed that
10	ATTORNEY CZESCHIN: Sorry if that	10	that default provides for acceleration.
11	wasn't clear before. And that's the breach under	11	All none of the cases that they
12	Section 5.9(c), and there's nothing in 5.17(d) that	12	cite to have a situation in which the borrower had
13	trumps that very clear deadline in 5.9(c).	13	agreed that the conduct at issue was, indeed, a
14	THE COURT: But the breach sorry.	14	default and was, indeed, something that entitled
15	This poor dead horse. Just the absence of RBI	15	acceleration. Most of their cases are, frankly, in
16	approval on or before April 1, 2022, that's not the	16	the landlord-tenant area, where somebody fails to make
17	breach; that's not the default. It's Whitehat India	17	a payment on time, and they say, well, the landlord
18	not acceding. And perhaps that happened because they	18	can't kick you out.
19	didn't have RBI approval.	19	This is a very, very different
20	ATTORNEY CZESCHIN: Exactly. That is	20	situation between highly sophisticated parties,
21	correct.	21	represented by sophisticated counsel. And they
22	THE COURT: All right. Thank you.	22	entered into an agreement that says these things are
23	ATTORNEY CZESCHIN: Okay. Going on	23	defaults and that these things entitle acceleration.
24	to another reason why their Section 5.17(d)	24	So I think it's a very different situation.
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS

		Page 49			Page 51
	1	THE COURT: So let's pretend for a	1	debt. 5.17(b), another paragraph that we didn't look	
	2	moment, which I understand is not your position, that	2	at. But that language is absent from the financial	
	3	these are trivial defaults and that they under New	3	reporting covenants, and it's absent from the Whitehat	
	4	York law would not support acceleration of the debt.	4	guarantee. So we think even the language of the	
	5	ATTORNEY CZESCHIN: Okay.	5	original agreement.	
	6	THE COURT: Do you have any authority	6	And here are the cases that I was	
	7	in New York law that says that that conclusion can	7	referring to, Your Honor. So this is just a sampling	
	8	effectively be contracted around?	8	of cases. We have several more in our brief. And it	
	9	ATTORNEY CZESCHIN: Yes, we have a	9	says that under New York law, the failure to provide	
	10	number of cases that we cite to in our brief, and I'm	10	timely and complete financial reporting is material.	
	11	going to get to, that say where you have sophisticated	11	And there's a case from the New York appeals court	
	12	parties, that you shouldn't be applying that	12	that finds a nonmonetary breach, including failure to	
	13	principle; and that even even a relatively minor	13	provide financial reporting, was material.	
	14	breach or a breach, in particular, of failing to	14	And the <i>Natixis</i> case, the second one	
	15	provide financial information, what we have here, at	15	cited there, is particularly on point. And I just	
	16	least for three of the instances, is something that	16	wanted to read from it so Your Honor can see what the	
	17	can accelerate the debt. There's a number of cases	17	New York law is. It says, "To be sure, 'in rare	
	18	that say that. I don't think any of those cases have	18	cases, agreements providing for the acceleration of	
	19	a situation where they later amended and admitted to	19	the entire debt upon the default of the obligor may be	
	20	the defaults. But they certainly recognized the	20	circumscribed or denied enforcement by utilization of	
	21	principle that sophisticated parties should be held to	21	equitable principles' But '[i]n the vast	
	22	the language of their agreement.	22	majority of instances,' '[a]bsent some element of	
	23	THE COURT: But that line of law	23	fraud, exploitive overreaching or unconscionable	
	24	starts sort of <i>ab initio</i> from this to say we shouldn't	24	conduct on the part of the [creditor] to exploit a	
		CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS	
٠	1	Page 50	1	tachnical broach, there is no warrant, either in law	Page 52
٠	1	even engage with this idea of trivial defaults and	1 2	technical breach, there is no warrant, either in law	Page 52
•	2	even engage with this idea of trivial defaults and acceleration because these are sophisticated parties,	2	or equity, for a court to refuse enforcement of the	Page 52
٠	2	even engage with this idea of trivial defaults and acceleration because these are sophisticated parties, as opposed to let's pretend that we sort of started	2	or equity, for a court to refuse enforcement of the [parties' agreement]' Even if [the] 'provisions	Page 52
•	2 3 4	even engage with this idea of trivial defaults and acceleration because these are sophisticated parties, as opposed to let's pretend that we sort of started down that road, and then an amendment said, you know	2 3 4	or equity, for a court to refuse enforcement of the [parties' agreement]' Even if [the] 'provisions requiring strict compliance turn[] out to be	Page 52
•	2 3 4 5	even engage with this idea of trivial defaults and acceleration because these are sophisticated parties, as opposed to let's pretend that we sort of started down that road, and then an amendment said, you know what, I will agree that this is a default that would	2	or equity, for a court to refuse enforcement of the [parties' agreement]' Even if [the] 'provisions requiring strict compliance turn[] out to be harsh,' they 'must be enforced' as 'important,	Page 52
	2 3 4 5 6	even engage with this idea of trivial defaults and acceleration because these are sophisticated parties, as opposed to let's pretend that we sort of started down that road, and then an amendment said, you know what, I will agree that this is a default that would support acceleration.	2 3 4 5 6	or equity, for a court to refuse enforcement of the [parties' agreement]' Even if [the] 'provisions requiring strict compliance turn[] out to be harsh,' they 'must be enforced' as 'important, negotiated term[s] of the agreement'"	Page 52
•	2 3 4 5 6 7	even engage with this idea of trivial defaults and acceleration because these are sophisticated parties, as opposed to let's pretend that we sort of started down that road, and then an amendment said, you know what, I will agree that this is a default that would	2 3 4	or equity, for a court to refuse enforcement of the [parties' agreement]' Even if [the] 'provisions requiring strict compliance turn[] out to be harsh,' they 'must be enforced' as 'important,	Page 52
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CHANCERY COURT REPORTERS

	Page 53			Page 55
1	just last or in June, I guess. The outside audit	1	for these audited financials, and now their auditor	
2	firm for BYJU's, which is Deloitte, they resigned.	2	just resigned because of the audited financials being	
3	And they resigned because the financial statements	3	delayed. That is clearly material. In fact, if we	
4	were long delayed.	4	can go back to the slide, on the same day, or on or	
5	Sean, if you could bring up JX 311.	5	about the same day maybe a day one way or the	
6	ATTORNEY KORPUS: Your Honor, I'm	6	other that Deloitte issued its resignation, all of	
7	sorry. Sheron Korpus. I don't want to interrupt	7	Think and Learn's outside directors resigned from the	
8	Mr. Czeschin's presentation. We do have objections to	8	board. There were three of them. And they all	
9	introducing evidence after the time that Mr. Pohl	9	resigned at the same time that Deloitte resigned. And	
10	purportedly took over the company. But given that	10	that leaves on the board only Mr. Riju Ravindran,	
11	this is a paper trial, I intend to just address that	11	Mr. Byju Raveendran, and his wife. And we think it	
12	in my presentation. I didn't want to waive any rights	12	lacks credibility to say that those things were not	
13	by not	13	connected, given that they happened on the same day.	
14	THE COURT: Thank you.	14	So I think that this shows plainly	
15	ATTORNEY CZESCHIN: So, Your Honor, in	15	audited financials are important. Audits matter. You	
16	June, here you see a letter. This is a public	16	have an outsider come in and look at the books and	
17	document. Deloitte in June, just over a month ago,	17	records. You are not relying solely on the company.	
18	resigns as the auditor. They say, "We have been	18	And they are not able to give us anything that's been	
19	appointed [] statutory auditors [for] Think & Learn	19	audited from outside, and the auditor itself has	
20	Private Limited" If you skip down there, for a	20	walked away.	
21	five-year period, commencing on April 1, 2020, to the	21	That is material, and that's why you	
22	financial year March 31, 2025. So they are in the	22	have covenants in the credit agreement that say	
23	middle of their term as auditor.	23	lenders are entitled to audited financials, so that	
24	But then if you go down to the second	24	they have the comfort that a recognized firm and it	
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS	
	5 -4			5 50
1	Page 54	1	actually says in the credit agreement, it has to be a	Page 56
1 2	paragraph, they say, "The financial statements of the	1 2	actually says in the credit agreement, it has to be a	Page 56
2	paragraph, they say, "The financial statements of the Company for the year ended March 31, 2022 are long	2	reputable, large audit firm, like Deloitte, that signs	Page 56
2	paragraph, they say, "The financial statements of the Company for the year ended March 31, 2022 are long delayed." That's the same thing we're complaining	2	reputable, large audit firm, like Deloitte, that signs off on the numbers. They can't give that to us, and	Page 56
2 3 4	paragraph, they say, "The financial statements of the Company for the year ended March 31, 2022 are long delayed." That's the same thing we're complaining about in our action. They further say that – you go	2 3 4	reputable, large audit firm, like Deloitte, that signs off on the numbers. They can't give that to us, and they haven't been to able to give it to us for over	Page 56
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	Page 57		Page 59	
1	They don't have a witness. They don't	1	They took the extension. That was valuable	
2	have Mr. Ravindran here in court today. And he didn't	2	consideration for them. It gave them the opportunity	
3	testify beyond or with any detail as to this duress	3	to try to go out and raise financing. It gave them	
4	point at his deposition.	4	the opportunity to try to negotiate an amendment to	
5	If you are daiming duress, you have	5	the credit agreement. And they never said, well,	
6	an obligation to promptly bring up the duress argument	6	we're acting under duress until we get to this	
7	and repudiate the contract under New York law. They	7	litigation.	
8	never did that. They're claiming that all seven or	8	Defendants also can't excuse the	
9	all eight of these amendments were signed under	9	Whitehat India default on the basis of impossibility.	
10	duress. Well, they never raised duress until the	10	This is an issue, we put in affidavits, both sides,	
11	litigation was filed. And you can't do that. You	11	from experts in law in India. And the other side says	
12	can't wait.	12	that, well, on August 22nd, the RBI adopted new	
13	THE COURT: What's the authority for	13	regulations that effectively made it impossible for	
14	that?	14	Whitehat India to accede as an additional guarantor.	
15	ATTORNEY CZESCHIN: There are New York	15	Well, there's several problems with	
16	cases cited in our brief that say if you are going to	16	that argument. They say, therefore, we can't do it,	
17	claim duress, you must act to repudiate the contract	17	so legal impossibility. The first problem with that	
18	promptly. I can find the cites for Your Honor when we	18	argument is the doctrine of impossibility only applies	
19	come back.	19	to unforeseen, intervening events. And here, two	
20	Also, the factual record here just	20	months after the new RBI obligations were put in place	
21	doesn't support duress. The lenders provided repeated	21	is when they signed up the first of the amendments	
22	forbearances and extensions. This has been going on	22	that recognizes the specified defaults, including the	
23	for over a year at this point. That's not a situation	23	failure of Whitehat to accede to the guarantee.	
24	where you were under duress. There are actually cases	24	So it wasn't an intervening event.	
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS	
	CHANCENT COOKT REFORTERS		CHANCENT COUNT REPORTERS	
	Page 58		Page 60	
1	Page 58 that say where the lender was providing extensions and	1	Page 60 It's something that had already happened. So the	
1 2	-	1 2		
	that say where the lender was providing extensions and		It's something that had already happened. So the	
2	that say where the lender was providing extensions and forbearances, that's not a lender acting in a manner	2	It's something that had already happened. So the doctrine of impossibility doesn't apply on its face.	
2	that say where the lender was providing extensions and forbearances, that's not a lender acting in a manner that's causing economic duress.	2	It's something that had already happened. So the doctrine of impossibility doesn't apply on its face. Also, even putting aside the	
2 3 4	that say where the lender was providing extensions and forbearances, that's not a lender acting in a manner that's causing economic duress. Finally, the New York law says that	2 3 4	It's something that had already happened. So the doctrine of impossibility doesn't apply on its face. Also, even putting aside the amendments, it was foreseeable, this rule change was	
2 3 4	that say where the lender was providing extensions and forbearances, that's not a lender acting in a manner that's causing economic duress. Finally, the New York law says that the risk that a party might exercise its contract	2 3 4 5	It's something that had already happened. So the doctrine of impossibility doesn't apply on its face. Also, even putting aside the amendments, it was foreseeable, this rule change was foreseeable at the time the original credit agreement	
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	Page 61		Page 63
1	basically say that it was unclean hands for us to file	1	agreement so the pledge agreement and the security
2	this action at all in Delaware under Section 225. I	2	agreement. That's JX 18 and JX 19 – they have
3	think that is just plainly wrong. Section 225	3	similar provisions. They all say that GLAS can sue
4	provides a legal mechanism for exactly this type of	4	wherever it wants.
5	lawsuit.	5	In fact, let's pull up JX 18. This is
6	They have this whole vulture lender	6	the security agreement. Go to page 23. Paragraph 30,
7	story, but it's really just lawyer argument. It's	7	"Enforcement." You see here they picked the courts of
8	unsupported by any evidence. The actual facts show	8	Singapore to have exclusive jurisdiction. But then if
9	that BYJU's consented to the participation in the term	9	you go down to paragraph (c), it says,
10	loans by the lenders that they now call distress debt	10	"Notwithstanding paragraphs (a) and (b) above, the
11	lenders.	11	Collateral Agent" — that's GLAS — "shall not be
12	So when a lender comes into the debt,	12	prevented from taking proceedings relating to a
13	and when the original lenders came into the debt,	13	Dispute in any other courts with jurisdiction. To the
14	BYJU's has to consent to them coming into that debt as	14	extent allowed by law, the Collateral Agent may take
15	an original lender. And they signed something called	15	concurrent proceedings in any number of
16	a master consent. And in that master consent, they	16	jurisdictions."
17	consent to Redwood, which is the lender they focus	17	So all of the related documents that
18	most on, becoming a lender. There's no question about	18	were signed at the same time, the key agreements, have
19	that.	19	this exception that allows GLAS to sue wherever GLAS
20	And as I said before, when that	20	wants.
21	oppressive treatment that they're talking about was	21	So if we go back to the PowerPoint,
22	allegedly happening, they didn't try to exercise their	22	there, the forum also – argument also lacks merit
23	disqualification rights. They didn't to anything	23	under Delaware law. Delaware law is actually that if
24	until after the litigation was filed. So I think the	24	you are going to have an exclusive forum provision,
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 62		Page 64
1	Page 62 unclean hands argument is clearly wrong.	1	Page 64 the language has to be crystalline. It has to be
1 2	•	1 2	-
	unclean hands argument is clearly wrong.		the language has to be crystalline. It has to be
2	unclean hands argument is clearly wrong. So that just takes us back to the key	2	the language has to be crystalline. It has to be crystal clear, is what the courts say in Delaware, if
2	unclean hands argument is clearly wrong. So that just takes us back to the key legal principle, sophisticated parties should be held	2	the language has to be crystalline. It has to be crystal clear, is what the courts say in Delaware, if it's going to be exclusive for another jurisdiction.
2 3 4	unclean hands argument is clearly wrong. So that just takes us back to the key legal principle, sophisticated parties should be held to their agreement. Here, we clearly have	2 3 4	the language has to be crystalline. It has to be crystal clear, is what the courts say in Delaware, if it's going to be exclusive for another jurisdiction. And this is, by any measure, not a
2 3 4 5	unclean hands argument is clearly wrong. So that just takes us back to the key legal principle, sophisticated parties should be held to their agreement. Here, we clearly have sophisticated parties and sophisticated counsel.	2 3 4 5	the language has to be crystalline. It has to be crystal clear, is what the courts say in Delaware, if it's going to be exclusive for another jurisdiction. And this is, by any measure, not a crystal-clear provision. Well, it is crystal clear.
2 3 4 5 6	unclean hands argument is clearly wrong. So that just takes us back to the key legal principle, sophisticated parties should be held to their agreement. Here, we clearly have sophisticated parties and sophisticated counsel. And then the last argument from the	2 3 4 5 6	the language has to be crystalline. It has to be crystal clear, is what the courts say in Delaware, if it's going to be exclusive for another jurisdiction. And this is, by any measure, not a crystal-clear provision. Well, it is crystal clear. It's crystal clear that it says that GLAS can go
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	Page 65		Page 67
1	the seat of the director. And the director's seat is	1	related at all to the credit agreement. He wasn't
2	the property that's here in Delaware.	2	around when the credit agreement was signed. You
3	ATTORNEY CZESCHIN: Right.	3	know, he has nothing to do
4	THE COURT: So I'm trying to figure	4	THE COURT: But his rights to speak as
5	out, Mr. Pohl, he's not bringing this action in his	5	a director of BYJU's Alpha arise out of the credit
6	individual capacity; he's bringing it because he	6	agreement.
7	thinks he's because he is, in fact, the incumbent	7	ATTORNEY CZESCHIN: That's true. But
8	director of a party.	8	if you're going to bind someone to a forum clause, the
9	ATTORNEY CZESCHIN: Well, I think he	9	law is pretty clear that they have to be related to
10	is I think he's bringing it in his individual	10	the contract. Just the fact that that contract may
11	capacity. He's bringing it as he's been appointed the	11	give him some rights, but he wasn't related to it at
12	director and officer, and he's seeking to have that	12	the time, it wasn't foreseeable I think one of the
13	confirmed. And I think that even though it's an in	13	standards is whether or not it was foreseeable.
14	rem proceeding, I think that is still in his personal	14	THE COURT: But I think what I'm stuck
15	capacity.	15	on is whether what we're talking about are his rights
16	THE COURT: He's not saying, I,	16	or BYJU's Alpha's rights, when we're talking about an
17	Timothy Pohl, would really like to, you know. He's	17	in rem proceeding brought by a human being acting as a
18	doing it as the director. If he wasn't acting as a	18	director of the entity.
19	director of BYJU's Alpha, he wouldn't be able to bring	19	ATTORNEY CZESCHIN: Right. I
20	the suit at all.	20	understand, Your Honor. I mean, there was there
21	ATTORNEY CZESCHIN: That's right. I	21	was there was a case that we cite to Ms. Henry
22	mean, he's he was an outsider. You know, he's a	22	just reminded me in New York, the Pegasus Strategic
23	sophisticated former attorney and investment banker.	23	Partners case, that found that a director was not a
24	He wasn't involved at all at the time the credit	24	director at the time of the stock purchase agreement,
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 66		Page 68
1	agreement was signed. But, you know, years later,	1	and, therefore, because he wasn't a director at the
2	when the lenders and GLAS are thinking about		
		2	time the company entered into this particular stock
3	exercising their remedies and they want to remove the	3	time the company entered into this particular stock purchase agreement it had a forum clause he
3	exercising their remedies and they want to remove the director, they need somebody to put in the seat. And		purchase agreement it had a forum clause he
	director, they need somebody to put in the seat. And	3	purchase agreement it had a forum clause he clearly wasn't closely related to that contract, and
4	director, they need somebody to put in the seat. And so they found someone who has a stellar reputation,	3	purchase agreement it had a forum clause he clearly wasn't closely related to that contract, and he could not be bound by the forum selection clause.
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4 5 6	director, they need somebody to put in the seat. And so they found someone who has a stellar reputation, like Mr. Pohl, and said, well, that's who we're going	3 4 5 6	purchase agreement it had a forum clause he clearly wasn't closely related to that contract, and he could not be bound by the forum selection clause. THE COURT: I buy that as far as it
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	Page 69		Page 71
1	it that way. I think he is important. I think, you	1	ATTORNEY CZESCHIN: Yes, I understand,
2	know, he's the guy who the lender has decided would	2	Your Honor. I think we just see it differently. I
3	become the fiduciary. And they did pick an	3	think the other side is obviously arguing that he
4	independent guy. He's not a patsy for them.	4	isn't a director; that he's not in that capacity. And
5	THE COURT: I'm not saying that he is.	5	the statute provides that any stockholder or any
6	I'm just trying to figure out the relevance of	6	person with a claim to the office can bring the
7	Mr. Pohl, the human living and breathing and walking	7	petition. And I view that as that's the right of that
8	on this earth, to the 225, and the way that the forum	8	individual to say, hey, I'm a director, and this is
9	selection clause works, when what we're doing is an in	9	what I want the Court to affirm.
10	rem proceeding for a director seat of a signatory.	10	So I think it is in his individual
11	ATTORNEY CZESCHIN: I don't think	11	capacity. I don't think it's something where he can
12	there's any Delaware case that has ever held someone	12	be bound to a contract from years before.
13	to a forum selection clause when they were not at all	13	And also, just going back to what we
14	around at the time that contract was negotiated.	14	talked about previously, none of this matters, because
15	Now, I understand most of those don't	15	GLAS is not bound and any lender is not bound. And so
16	come up in the 225 context, and I'm not aware of one	16	GLAS would be able to bring this action in this Court,
17	in the 225 context. We can look quickly. But I think	17	and they're the other plaintiff. So it doesn't
18	it would be unprecedented to say that a guy that	18	matter. It belongs in this Court. Their forum
19	wasn't even involved in any of this is somehow bound	19	selection provision just doesn't work. It doesn't say
20	by the credit agreement forum clause and can't	20	what they say it says.
21	exercise his statutory right to file in Delaware	21	So then they also seem to be
22	because he has a claim to the seat.	22	suggesting that it's just wrongful, in a 225 action,
23	You would be going back years and	23	that Your Honor consider the underlying contract.
24	binding him to a contract that he had no knowledge of	24	That's, of course, ridiculous. The Hawk Investment
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 70		Page 72
1	at the time. And I think that would just be very much	1	Holdings case is a very similar case to this one. A
2	at the time. And I think that would just be very much unprecedented.	2	Holdings case is a very similar case to this one. A creditor sought relief under Section 225, alleging
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	Page 73			Page 75
1	(Resumed 11:03 a.m.)	1	loan and activating a pledge to take over the	_
2	THE COURT: Thank you. Please be	2	borrower. I will go through them in detail.	
3	seated.	3	Now, at first, the distressed debt	
4	ATTORNEY KORPUS: Good morning, Your	4	lender must have been pretty satisfied at its	
5	Honor. Sheron Korpus, Kasowitz Benson Torres, for the	5	hard-ball strategy, because BYJU's, fearing losing	
6	defendants. Your Honor, I have just a small package	6	investors and having to fight public litigation like	
7	of some of the provisions from the agreement, but I	7	this, was scared off, and it was forced to enter into	
8	see that you've been taking notes on your binders, so	8	these amendments and limited waivers that you've seen.	
9	maybe you don't even need that.	9	And what Mr. Czeschin didn't tell you	
10	THE COURT: I've got more paper up	10	is that these amendments and waivers actually had fees	
11	here.	11	that netted the lenders almost \$9 million in consent	
12	ATTORNEY KORPUS: I figured. I	12	fees and forbearance fees to which they weren't	
13	figured. I don't even have a Sean here. I'm a little	13	originally contractually entitled. And they also	
14	more old-fashioned.	14	received other contractual concessions worth tens of	
15	Your Honor, we didn't need to be here	15	millions of dollars.	
16	today. This is a combination of a course of events	16	But the problem is that this strategy	
17	that has benefited no one and has put everyone's	17	actually started to hurt the company and to backfire	
18	investment at risk. BYJU's has been a stellar	18	on the lenders themselves. It's no secret. It's been	
19	success. It's the world's leading provider of online	19	in the business news. In recent months, BYJU's has	
20	education on both profit for-profit and nonprofit	20	been under a lot of pressure, and in just about every	
21	basis. It has grown fast and has raised capital to	21	story, you will see the lenders in this litigation	
22	achieve that growth.	22	mentioned. And this pressure actually made it harder	
23	What happened is that a group of	23	for BYJU's to get alternative capital funding so it	
24	aggressive distressed debt investors who were not	24	can refinance and maybe pay off these lenders.	
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS	
	Page 74			Dogo 76
1	Page 74 supposed to be in the deal in the first place have	1	Like I said, this litigation isn't in	Page 76
2	created a series of what we believe are artificial	2	anyone's interest. Overall, what would be in	
3	events of default based on what were, at most, minor	3	everybody's interest is an agreed resolution, where	
4	contractual breaches. They thought they could use the	4	BYJU's and the lenders can negotiate an amended	
5	so-called default as leverage to get more and more	5	relationship and deal. Indeed, they're still talking.	
6	concessions from BYJU's.	6	They're talking as we speak here in court today, and	
7	When this whole process started,	7	they likely will continue to talk, even no matter what	
8	before the notice of acceleration, notice of	8	happens today.	
9	enforcement was served, BYJU's has shown no financial	9	Because, as I will discuss in a	
10	distress and made every single payment it was supposed	10	minute, and as Your Honor actually pointed out, the	
11	to make under this \$1.2 billion agreement.	11	borrower is not an operating company, and it doesn't	
12	The group of lenders that calls	12	have many assets. So this is really a bit of a	
13	themselves the steering committee, it's dominated by a	13	sideshow, and it's ended just exerting further	
14	few funds that were distressed debt funds, even though	14	pressure in negotiation and causing BYJU's to	
15	the credit agreement provided that entities that are	15	capitulate to the steering committee's extortionate	
16	primarily dealers in distressed debts are subject to	16	demands.	
17	disqualification because they weren't supposed to be	17	But in any event, the Court should no	t
18	in a deal like this. And the steering committee	18	grant the relief today, for two main reasons. The	
19	couldn't claim a payment default, because there was no	19	first reason is that this case should not be heard in	
20	payment default. So they latched onto a few alleged	20	this Court. It should be heard in New York, together	
21	breaches. And you've heard about them today. They	21	with the case that has already been brought there by	
22	are the three breaches that Mr. Czeschin spoke about.	22	the parent guarantor and other BYJU's entities.	
23	And as I will explain, none of them justifies, as a	23	As I will explain shortly, there is an	
24	matter of New York law, accelerating a \$1.2 billion	24	exclusive jurisdiction clause that applies to this	
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS	

	Page 77		Page 79
1	claim, and this case should not be heard here in	1	would be unreasonable and unjust, or that the clause
2	Delaware, with all due respect to the Court, just	2	[is] invalid for such reasons as fraud [or]
3	under the words of the forum clause.	3	overreaching." And plaintiff is not trying to make
4	This Court doesn't need to decide this	4	such a finding here.
5	matter here and now, because there is another venue,	5	What they are saying is they're
6	one that the parties chose, that can deal with all of	6	misreading the agreement. They rely exclusively on
7	the issues that has come up between the parties,	7	that last provision.
8	including ones that the Court has already decided are	8	But that's not what the agreement
9	not relevant to this proceeding.	9	says. We are not saying that the clause is
10	And the second reason, Your Honor,	10	asymmetrical, like they argue in the brief, or that
11	that the relief should not be granted is that even if	11	there were asymmetrical clauses. We're just looking
12	the Court decides it has jurisdiction over this case,	12	at the words of the agreement.
13	under New York law, the so-called defaults do not	13	If you allow GLAS to bring this
14	support acceleration and the forfeiting of an entire	14	action, you are reading out the clause that says that
15	company. So even if the Court determines that it	15	each of the parties irrevocably and unconditionally
16	should hear this proceeding, it should find that the	16	submits to the exclusive jurisdiction of the New York
17	acceleration is invalid, and therefore, the seizure of	17	courts. And New York courts don't allow you to have
18	BYJU's Alpha is invalid.	18	an interpretation that leaves contractual clauses
19	Let me start with the exclusive	19	meaningless. They read out the word "exclusive."
20	jurisdiction clause. You've already seen	20	The only way to harmonize this
21	Section 10.9(a) in the credit agreement, which is	21	THE COURT: Well, the first sentence,
22	JX 21. The parties agreed that the credit agreement	22	if we substitute in "GLAS" for "each of the parties."
23	would be governed by New York law, and they agreed	23	ATTORNEY KORPUS: Correct.
24	and if I can take you to the provision, which starts	24	THE COURT: "[GLAS] submits, for
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 78		Page 80
1	on page 148 of JX 21, "Each of the parties hereto	1	itself and its property, to the exclusive jurisdiction
2	hereby irrevocably and unconditionally submits, for	2	of [SDNY]"
3	itself and its property, to the exclusive jurisdiction	3	ATTORNEY KORPUS: That's right.
4	of the New York [court]"	4	THE COURT: Why isn't it appropriate
5	That's what they agreed. In any	5	to read that to mean that GLAS submits that it can be
6	and then you go on, "in any proceeding arising out	6	sued in SDNY?
7	of or relating to this Agreement" And I focus on	7	ATTORNEY KORPUS: Because each of the
8	those words, and I'll come back to in a second.	8	parties, including the lenders, including GLAS,
9	And then, at the end of the clause,	9	irrevocably and unconditionally submit to the
10	you've got the carve-out that Mr. Czeschin was talking	10	exclusive jurisdiction of SDNY. It's "each of the
11	about, which says, "Nothing in this Agreement or in	11	parties." It's all of the parties in this case.
12	any other Loan Document shall affect any right that	12	THE COURT: But then if you read that
13	[the] Agent or any Lender may otherwise" and I	13	together with "Nothing in this Agreement" meaning
14	stress the word "otherwise" "have to bring any	14	that sentence that we just discussed "shall affect
15	action or proceeding relating to this Agreement"	15	any right that" GLAS has to bring anything anywhere
16	But not arising from this agreement. That's covered	16	else.
17	under the exclusive jurisdiction provision at the	17	ATTORNEY KORPUS: But let's focus on
18	beginning of this section.	18	the words, because words do matter. They agreed to
19	Now, Delaware courts apply these	19	exclusive jurisdiction for any dispute arising out of
20	provisions strictly. As the Delaware Supreme Court	20	or relating to the agreement.
21	said in Ingres Corp. v. CA, Inc., that's in our brief,	21	But then what GLAS can do is otherwise
22	"Forum selection [] clauses are 'presumptively valid'	22	bring any action that's relating to this agreement.
23	and should be 'specifically' enforced unless the	23	So if it's just relating to the agreement let's say
24	resisting party '[] clearly show[s] that enforcement	24	they have to bring some kind of an enforcement
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS

	Page 81		Page 83
1	proceeding against some asset. They can bring it.	1	in a 225?
2	But if it's arising from the	2	ATTORNEY KORPUS: Pardon me?
3	agreement, if it's fundamental to the agreement, if	3	THE COURT: Don't you make the
4	it's a question of determining the key question here,	4	argument in a separate part of your presentation or in
5	which is whether or not there has been a default,	5	your brief that the Court shouldn't consider the
6	that's exclusively in New York, and they've agreed to	6	agreement in a 225?
7	be exclusively in New York.	7	ATTORNEY KORPUS: Should consider or
8	That's the only way you can harmonize	8	shouldn't?
9	those two sentences. Their reading of the agreement	9	THE COURT: Should not.
10	reads out the "exclusive jurisdiction" in	10	ATTORNEY KORPUS: No, I don't believe
11	paragraph the beginning of paragraph (c), where it	11	I made that argument. I believe, Your Honor, what
12	says "each of the parties."	12	would be appropriate is for this matter to be stayed
13	The way to have an agreement that says	13	so that a New York court can determine whether or not
14	what they want it to say would say that GLAS and	14	there's been a default. And then we can come back
15	lenders could sue wherever they want, and the borrower	15	here and decide who should be the director.
16	or the borrow parties agree to exclusive jurisdiction.	16	THE COURT: Going back to the original
17	That's not what this clause says. This clause says	17	question that I asked. A 225 is a statutory right.
18	that all of the parties agreed to exclusive	18	The ability to bring a 225, I don't think, arises out
19	jurisdiction.	19	of the credit agreement.
20	And the limitation — the exception	20	So why isn't the 225 that depends on
21	here is a lot more limited than they suggest. It	21	the underlying operation of the credit agreement, why
22	gives them the ability to chase assets elsewhere if	22	doesn't that fall into the bucket of "otherwise and
23	they have to.	23	relating to" in the last sentence?
24	THE COURT: And you're deriving that	24	ATTORNEY KORPUS: Because, Your Honor,
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 82		Page 84
1	Page 82 from the fact that the last sentence says "may	1	Page 84 I submit the question of whether or not there's been a
1 2	_	1 2	_
	from the fact that the last sentence says "may		I submit the question of whether or not there's been a
2	from the fact that the last sentence says "may otherwise have" and is limited to relating to ATTORNEY KORPUS: That is correct. THE COURT: whereas the other one	2	I submit the question of whether or not there's been a default is arising out of the credit agreement, and
2 3 4 5	from the fact that the last sentence says "may otherwise have" and is limited to relating to ATTORNEY KORPUS: That is correct. THE COURT: whereas the other one says "any action or proceeding arising out of or	2 3 4 5	I submit the question of whether or not there's been a default is arising out of the credit agreement, and the parties agreed to exclusive jurisdiction there for that matter. And there's a reason here, because New York law is important here, and the law of
2 3 4 5 6	from the fact that the last sentence says "may otherwise have" and is limited to relating to ATTORNEY KORPUS: That is correct. THE COURT: whereas the other one says "any action or proceeding arising out of or relating to"?	2 3 4 5 6	I submit the question of whether or not there's been a default is arising out of the credit agreement, and the parties agreed to exclusive jurisdiction there for that matter. And there's a reason here, because New York law is important here, and the law of unconscionability is important here. And we're going
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	Page 85		Page 87
1	default.	1	covering a broad variety of topics, and topics that
2	Now, Your Honor, I just wanted to go	2	are not before the Court and the Court has already
3	back to what I started saying about about a	3	held should not be before the Court.
4	possible stay of this provision of this proceeding	4	Now, we can bring claims there against
5	while the Court in New York decides if there's been a	5	the misconduct and breaches of the credit agreement,
6	default or not.	6	improperly calling defaults, accelerating the loan,
7	We actually have no objection, during	7	and the hundreds of millions in damages that we have
8	the pendency of that stay, for Mr. Pohl to remain and	8	suffered as a result of that conduct. We can bring
9	the status quo order to continue until such time as	9	claims for breach of the implied covenant of good
10	the New York court decides the matter. That's fine	10	faith and fair dealing based on the, as we see it,
11	with us. We just think that there are other matters	11	bad-faith negotiations by the lenders. Those claims
12	here. There's a lot of matters in New York. There's	12	are substantial.
13	claims by us against the lenders. There's other	13	But Your Honor's already held some of
14	claims by the lenders against us, and it just makes	14	that. So, for example, in the Court's letter of May
15	sense for it all to be decided in New York, in	15	24, 2023, the Court declined to include plaintiffs'
16	addition to	16	proposed provision in the status quo order barring the
17	THE COURT: But you haven't moved to	17	parent guarantor from exercising the disqualifying
18	dismiss under McWane and you haven't moved to dismiss	18	power, and the Court stated, "Whether, as the
19	under 12(b)(1)?	19	plaintiffs suggest, the steps taken to install the
20	ATTORNEY KORPUS: We brought the	20	alleged incumbent also revoke the Parent Guarantor's
21	action in New York. We brought the action in New	21	authority under Section 1.12 is tangential to the core
22	York.	22	control dispute and to Byju's Alpha's internal
23	THE COURT: I'm sorry. You haven't	23	affairs." It is tangential. It's not before this
24	moved to dismiss this action.	24	Court. But it could and should be in New York.
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 86		Page 88
1	Page 86 ATTORNEY KORPUS: Your Honor, I	1	Page 88 And then, in the Court's order of June
1 2		1 2	
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2	ATTORNEY KORPUS: Your Honor, I believe when we first had the hearing on the status	2	And then, in the Court's order of June 26 denying plaintiffs' motion to compel an answer to
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2 3 4	ATTORNEY KORPUS: Your Honor, I believe when we first had the hearing on the status quo order, Mr. Cicero asked told you that we intend to make this argument. THE COURT: You're right.	2 3 4 5	And then, in the Court's order of June 26 denying plaintiffs' motion to compel an answer to Interrogatory No. 1 and to enforce the status quo order, the Court stated, "Further investigation into [] \$500 million transfer that predated entry of the
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	Page 89		Page 91
1	the correct forum. We have an email from Mr. Ashby	1	party to this proceeding. They didn't really need to
2	where he says, this email memorializes our agreement	2	add him. This could have been brought by GLAS alone.
3	that neither GLAS nor Pohl will use the fact of this	3	And the fact that they added him, I suspect, is so
4	extension to argue for the appropriateness of the	4	that they can make this argument. But he's really not
5	Delaware forum or the inappropriateness of the New	5	a necessary party here.
6	York forum.	6	THE COURT: How does maybe this
7	So we expressly wanted them not to be	7	opens a whole can of worms. What is GLAS's ability to
8	able to make that argument, and yet they're still	8	bring a claim that is bestowed upon a stockholder or
9	making the argument of delay.	9	director?
10	Then they're arguing that Section 225	10	ATTORNEY KORPUS: He's a shareholder.
11	is important because it gives you a summary remedy so	11	Once they the lenders become shareholders once they
12	that the company's not immobilized. That's on page 55	12	exercise the –
13	of their brief. But as we all know, and as they	13	THE COURT: That's right. I'm sorry.
14	stipulate, this company has no active business	14	ATTORNEY KORPUS: Right.
15	operations. And that's stipulated fact number 34. So	15	So, Your Honor, in summary, we submit
16	speed and paralysis isn't really the point here. It	16	that the Court should stay this action and that the
17	doesn't really matter.	17	correct venue is New York. And I'll move to the
18	And in any event, as I told you, we	18	substance, unless you have any more questions on that
19	are fine with Mr. Pohl staying there until such time	19	point.
20	as we have a resolution from New York, and then come	20	THE COURT: No. Thank you.
21	back before you.	21	ATTORNEY KORPUS: Thank you, Your
22	And then they argue that Mr. Pohl is	22	Honor.
23	an independent trying to bring this suit and isn't	23	So the next point is that even if the
24	bound by the credit agreement, and I know you had	24	Court decides to retain jurisdiction, it should find
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 90		Page 92
1	Page 90 discourse with Mr. Czeschin about that. I'm happy to	1	Page 92 that the notice of acceleration and notice of default
1 2	discourse with Mr. Czeschin about that. I'm happy to address it, but I think you're already there, which is	1 2	that the notice of acceleration and notice of default were invalid. And the reason is that New York law
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CHANCERY COURT REPORTERS

	Page 93		Page 95
1	2. Justice Sherwood, in the commercial division in	1	default and the entitlement to the right of
2	New York, said, "Where a motion relates to failures	2	acceleration in the subsequent amendments would cut
3	other than [] failure to make payment, the motion	3	off operation of the doctrine.
4	should be denied."	4	ATTORNEY KORPUS: Yeah.
5	So even though it has this expedited	5	THE COURT: Could you address that.
6	summary judgment procedure for suing on a note, the	6	ATTORNEY KORPUS: Yes, Your Honor.
7	law is against allowing such a proceeding where there	7	The argument applies to parties sophisticated or not.
8	is a nonpayment default, a nonmonetary default. And	8	And even the Court he read you from Natixis said
9	here, that's what we have. We continued to make every	9	that there are cases where the courts would allow it,
10	payment under the loan agreement at the time they took	10	and there was a case that involved sophisticated
11	this action.	11	parties, and I will talk about Natixis in a minute.
12	But even outside a 32.13 context, New	12	And as to the specified default and
13	York courts look to three factors to justify whether a	13	all the amendments and all the language, I have a
14	breach justifies acceleration: one, has the lender	14	section as I go through default; I can go there now if
15	suffered actual damages as a result of the default;	15	you prefer. But just to summarize, all the parties
16	two, has the default impaired the lender's security;	16	agreed to, all BYJU's agreed to, is to a definition of
17	and, three, does the default make the future payment	17	those alleged default as "Specified Default." There
18	of principal and interest less likely? That's the In	18	is no language anywhere, in any of those amendments,
19	re Stanhope case that's in our brief.	19	saying that the company recognizes that these are
20	And when we look at the three events	20	valid defaults; that the company recognizes that they
21	of default, none of them make the grade, and they	21	had the right to accelerate based on those defaults;
22	don't justify acceleration. And I'm going to go	22	that the company recognizes that there is no
23	through them now.	23	unconscionability, that they could take enforcement
24	But before I do, I want to make this	24	action, all there's none of that.
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 94		Page 96
			i age 90
1	point. No one is saying that if there is a breach,	1	The one other than the definition
1 2	-	1 2	-
	point. No one is saying that if there is a breach, they have no remedy. They have the same remedy that any party to a contract has. If they can show there's		The one other than the definition of "Specified Default," the one thing Mr. Czeschin points to is that there's language in, I think, the
2	point. No one is saying that if there is a breach, they have no remedy. They have the same remedy that any party to a contract has. If they can show there's a breach and they suffered loss, they can sue for	2	The one — other than the definition of "Specified Default," the one thing Mr. Czeschin points to is that there's language in, I think, the seventh amendment that they said that they're entitled
3	point. No one is saying that if there is a breach, they have no remedy. They have the same remedy that any party to a contract has. If they can show there's a breach and they suffered loss, they can sue for damages. They can sue for damages for specific	2	The one — other than the definition of "Specified Default," the one thing Mr. Czeschin points to is that there's language in, I think, the seventh amendment that they said that they're entitled to tell GLAS to serve a notice of default. Sure, they
2 3 4	point. No one is saying that if there is a breach, they have no remedy. They have the same remedy that any party to a contract has. If they can show there's a breach and they suffered loss, they can sue for damages. They can sue for damages for specific performance. They can say we want the audited	2 3 4	The one — other than the definition of "Specified Default," the one thing Mr. Czeschin points to is that there's language in, I think, the seventh amendment that they said that they're entitled to tell GLAS to serve a notice of default. Sure, they can serve a notice of default, because they don't want
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	Page 97		Page 99
1	the notice. But we don't waive any of defenses to	1	ATTORNEY KORPUS: That clause clearly
2	that notice.	2	says that the obligation is to use reasonable
3	THE COURT: Go ahead.	3	commercial efforts. And then says that because it's
4	ATTORNEY KORPUS: May I go ahead?	4	uncertain and because it's just reasonable commercial
5	Thank you.	5	efforts, if you don't manage to do it, it's not a
6	So talking about Whitehat, first of	6	default.
7	all. Now, the first supposed default was due to the	7	THE COURT: I spent some time with
8	inability of one of BYJU's affiliates, a company	8	Mr. Czeschin breaking down how that (i) works. Can
9	called Whitehat, which had negative net worth, to	9	you explain to me your interpretation of how that
10	serve as an additional guarantor under the credit	10	works.
11	agreement.	11	ATTORNEY KORPUS: My interpretation of
12	And I want to emphasize the point that	12	how that works is the failure to obtain the approval
13	Whitehat was to provide an additional guarantee. They	13	prior to April 1, 2022, is not a default because it
14	were alongside the many guarantees provided by the	14	ties to (d), which was to try and obtain – you try to
15	borrower's other affiliates, including the parent,	15	use reasonable commercial efforts to procure the
16	Think and Learn, which has a multibillion-dollar	16	approval on or prior to April 1, '22. We're going to
17	valuation. Every single one of those other guarantees	17	try our best.
18	was provided.	18	THE COURT: In my discussion, though,
19	As for Whitehat, the parties knew	19	with Mr. Czeschin, I think we got to a place where
20	and it was reflected in the credit agreement – that	20	they're not asserting that failure to procure RBI
21	in order to serve as an additional guarantor, it would	21	approval was itself a default.
22	first need to get regulatory approval from the Reserve	22	ATTORNEY KORPUS: Yes, But I think
23	Bank of India. And that's not a trivial thing to	23	what they're saying – so then we get to 5.9, and I
24	achieve, and it can take time and multiple attempts.	24	was going to go there next.
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 98		Page 100
1	And as our expert said in his	1	THE COURT: Okay.
2	And as our expert said in his declaration, when a guarantee is over a billion	2	THE COURT: Okay. ATTORNEY KORPUS: So they're relying
2	And as our expert said in his declaration, when a guarantee is over a billion dollars, you need RBI approval; and when it exceeds	2	THE COURT: Okay. ATTORNEY KORPUS: So they're relying on 5.9(c). But all 5.9(c) does, it's a mechanical
2 3 4	And as our expert said in his declaration, when a guarantee is over a billion dollars, you need RBI approval; and when it exceeds 400 percent of net worth, you need approval; and when	2 3 4	THE COURT: Okay. ATTORNEY KORPUS: So they're relying on 5.9(c). But all 5.9(c) does, it's a mechanical provision. It just says that when the approval is
2 3 4 5	And as our expert said in his declaration, when a guarantee is over a billion dollars, you need RBI approval; and when it exceeds 400 percent of net worth, you need approval; and when both tests are triggered, you need approval to both	2 3 4 5	THE COURT: Okay. ATTORNEY KORPUS: So they're relying on 5.9(c). But all 5.9(c) does, it's a mechanical provision. It just says that when the approval is taken, Whitehat shall accede.
2 3 4 5 6	And as our expert said in his declaration, when a guarantee is over a billion dollars, you need RBI approval; and when it exceeds 400 percent of net worth, you need approval; and when both tests are triggered, you need approval to both aspects. And that's in JX 317 at pages 12 and 13.	2 3 4 5 6	THE COURT: Okay. ATTORNEY KORPUS: So they're relying on 5.9(c). But all 5.9(c) does, it's a mechanical provision. It just says that when the approval is taken, Whitehat shall accede. Now, Whitehat India, in 5.9(c), is not
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	Page 101		Page 103
1	agreement isn't a default that lays at the feet of	1	But I don't know that for a fact.
2	BYJU's Alpha, given the subsequent amendments?	2	THE COURT: And does this first
3	ATTORNEY KORPUS: Sure. When you look	3	limited waiver have a termination date?
4	at the subsequent amendments let's go first to the	4	ATTORNEY KORPUS: It does not have a
5	first amendment, which Mr. Czeschin did not take you	5	termination date. It does say, though, in
6	to.	6	Section 3(d) that "as of the Effective Date, no
7	THE COURT: And what's the JX number	7	Default or Event of Default has occurred and is
8	of the first amendment?	8	continuing." So they're agreeing as of April 5, 2022,
9	ATTORNEY KORPUS: Yeah. I'm just	9	that there was no event of default.
10	looking, I'm sorry. 105.	10	THE COURT: So on the first page, the
11	THE COURT: Thank you.	11	bottom of the page, that last "whereas" clause, it
12	ATTORNEY KORPUS: So this is after the	12	says, "provided that the foregoing waiver shall be of
13	April date, right, that is in the agreement.	13	no effect on and following the later of October 8,
14	And first of all, let's look at the	14	2022" unless Whitehat guarantees or, rather, the
15	one, two, three, four, fifth "whereas" clause, where	15	RBI approval is obtained.
		16	
16	it says, "despite significant efforts (including but		ATTORNEY KORPUS: I'm sorry, Your
17	not limited to commercially reasonable efforts) on the	17	Honor, where are you? THE COURT: I'm on the last "whereas"
18	Parent Guarantor's part to obtain the RBI's approval	18	
19	prior to April 1, 2022 to permit Whitehat India to	19	clause, on page 1 of JX 105. and I'm focusing on the
20	guarantee, no such approval has been forthcoming	20	definition of a "Waiver Termination Date."
21	to date." So they acknowledge right that there we	21	ATTORNEY KORPUS: Okay. I see.
22	used commercially reasonable efforts.	22	So it was an extension, is what you're
23	Then you go to Section 2 on page 2.	23	saying, it was an extension to October 8. That's
24	And it says that "[a]s of the Effective Date,"	24	fine. But my point is as of that date, they
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 102		Page 104
1	everybody agrees that in "(a) Whitehat India shall not	1	recognized that we used reasonable commercial efforts.
2	be required to [] provide any guarantee" and that	2	As of that date, they agreed there was no default.
3	any "all consequences under the Loan [Agreement] of	3	And I'm just saying that you cannot
4	Whitehat India not providing a guarantee of [] Covered	4	read out the reasonable commercial efforts standard
5	Obligations are waived" That's in (b).	5	and rely on 5.9(c). Because otherwise you're reading
6	So that's what happens first, in the	6	that whole clause out of the agreement, and New York
7	first amendment. They agree that we used reasonable	7	law does not allow you to do that. 5.9(c) is a
8	commercial efforts, and they agree to waive any	8	mechanical provision. It just says get the approval,
9	default arising from that.	9	use reasonable efforts. You get the approval; then
10	Then, later on, in Amendment 2, they	10	Whitehat accedes.
11	include the Whitehat back in the definition of	11	This whole distinction between outcome
12	"Specified Defaults." But as I said, that's just a	12	and efforts is is a fiction. It doesn't
13	definition. We never agreed that those specified	13	agreements don't work that way. Otherwise because
14	defaults are, in fact, defaults. And we never agreed	14	if they do, then you are reading out the obligation to
15	that we didn't have defenses to those. It was just a	15	use reasonable commercial efforts. And that's all
16	forbearance. It's just a definition.	16	there was here.
17	THE COURT: How does Amendment No. 2	17	And it's not the in any event, that
18	interact with this first limited waiver? Does it	18	provision 5.9(c) was not an obligation of BYJU's Alpha
19	supersede it?	19	or any of the loan parties. Their obligation was just
20	ATTORNEY KORPUS: Yes. In time, you	20	to use reasonable commercial efforts.
21	mean? Yes.	21	If I can move on?
22	THE COURT: In effect.	22	THE COURT: Yes.
23	ATTORNEY KORPUS: In effect? I'm not	23	ATTORNEY KORPUS: And the second
24	sure what the exact language is, but I assume it does.	24	reason why the reason the breach of the credit
			•
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS

	Page 105		Page 107
1	agreement related to Whitehat, even if it did require	1	allowed them to get additional fees and started
2	us to obtain approval and for Whitehat to accede to	2	talking about more amendments. And that's what they
3	the agreement no matter what, is under the doctrine of	3	were doing. It was really a gotcha that was not
4	impossibility. Because under New York law,	4	supposed to be a gotcha under the agreement.
5	nonperformance of a contractual obligation is excused	5	THE COURT: This is just a very
6	where such performance is rendered impossible by	6	fundamental question, just to be sure we're all on the
7	intervening governmental activities, as long as they	7	same page. Can Whitehat India accede to the agreement
8	are unforeseeable.	8	without RBI approval?
9	And as our expert explained, JX 317 at	9	ATTORNEY KORPUS: No.
10	20, in August 2022, the Reserve Bank of India passed	10	THE COURT: Okay.
11	new regulations that made it impossible for Whitehat	11	ATTORNEY KORPUS: So defendants
12	to get approval for its additional guarantee. Because	12	respectfully submit that they have not breached the
13	under the new regulations, Whitehat, which everybody	13	agreement as to Whitehat. It's not even a close
14	knew didn't have assets to pass the net worth test,	14	question. The credit agreement did not require that
15	would no longer be able to borrow net worth from the	15	outcome.
16	parent guarantor. And their expert doesn't really	16	Now, I want to just foreshadow a
17	deny that it became impossible. He just says that	17	little bit our good faith and clean hands doctrine,
18	that change was foreseeable.	18	because this is all a problem that's their own making.
19	But that's just not the case. We	19	We actually had a solution. We sent a detailed
20	disagree. Our expert, at paragraph 17 of JX 317, sets	20	proposal to GLAS, and it's in JX 166 and 167, and
21	out that a discontinuation of net worth borrowing was	21	specifically at 167, pages 7 to 9, where we said,
22	never explicitly stated prior to the new ODI rules	22	let's just move, all the assets out of Whitehat the
23	coming into effect, and it's borne out by reading the	23	U.S. business, the Indian IP, the global IP – into an
24	draft regulations.	24	entity that's already a guarantor. That would solve
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	5 400		
1	Page 106	1	Page 108
1	The parties didn't know that it was	1	everybody's problems.
2	The parties didn't know that it was going to be excluded, that Whitehat would not be able	2	everybody's problems. And they said no. They rejected it
2	The parties didn't know that it was going to be excluded, that Whitehat would not be able to borrow net worth. And there was never any	2	everybody's problems. And they said no. They rejected it out of hand. And that's one of the claims we intend
2 3 4	The parties didn't know that it was going to be excluded, that Whitehat would not be able to borrow net worth. And there was never any indication in the draft proposed regulations that it	2 3 4	everybody's problems. And they said no. They rejected it out of hand. And that's one of the claims we intend to pursue in New York.
2 3 4 5	The parties didn't know that it was going to be excluded, that Whitehat would not be able to borrow net worth. And there was never any indication in the draft proposed regulations that it would ever come to foresee it then. So it was not	2 3 4 5	everybody's problems. And they said no. They rejected it out of hand. And that's one of the claims we intend to pursue in New York. But even if we assume for the sake of
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	Page 109		Page 111
1	tactics by these lenders.	1	It's 19 pages of financial
2	And that's what set everything else	2	information.
3	off. That's kind of what put us on a collision course	3	THE COURT: I have it.
4	with each other. That's why we're here today.	4	ATTORNEY KORPUS: Thank you.
5	THE COURT: Not the absence of audited	5	Page 1 summarizes the various
6	financials?	6	members data for the various members of the BYJU's
7	ATTORNEY KORPUS: That comes later,	7	family — revenue, cost, payroll, marketing expenses,
8	and I will get to that. But at that time, no. At	8	EBITDA, profit after tax, et cetera. Page 2 is the
9	that time, at the time of the first amendment, second	9	balance sheet for Think and Learn. Page 3 is a P&L
10	amendment, they did not mention any concerns about	10	statement. Page 4 is a cash flow statement. And then
11	lack of audited financial statements.	11	you have many pages of detailed notes like, you would
12	The first time they raised it as an	12	see in any financial statements.
13	issue was months later.	13	So we provided financial information.
14	THE COURT: Well, so I hear you	14	They barely make any showing of how that's
15	describing JX 105 as hardball tactics, but I look at	15	insufficient. All they can do is say that instead of
16	that as a waiver and a recognition, as you point out,	16	providing it for just one quarter, this is
17	that recognizes that BYJU's used commercially	17	consolidated information for the previous three
18	reasonable efforts. Maybe that's one way to read it.	18	quarters.
19	And it, in fact, pushes out the time period to	19	THE COURT: And that it's not audited.
20	accomplish this.	20	ATTORNEY KORPUS: Well, this is the
21	ATTORNEY KORPUS: That's right.	21	obligation I'm talking about the obligation to
22	Because they didn't really want to accelerate at that	22	provide unaudited statements under 5.1(b). That's one
23	time. They just wanted to use the threatening of the	23	of the three breaches. I'll get to the audited ones.
24	acceleration to try and get us to a negotiation table,	24	But they're also relying on our failure to provide
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 110		Page 112
1	to negotiate amendments.	1	unaudited statements as one of the three.
2	to negotiate amendments. And I'll take you through some of that	2	unaudited statements as one of the three. They don't say how it actually harms
2	to negotiate amendments. And I'll take you through some of that history later. It was really a negotiation tactic.	2	unaudited statements as one of the three. They don't say how it actually harms them that we gave them information consolidated for
2 3 4	to negotiate amendments. And I'll take you through some of that history later. It was really a negotiation tactic. It's to put leverage on.	2 3 4	unaudited statements as one of the three. They don't say how it actually harms them that we gave them information consolidated for three quarters, rather than one, or how it's material.
2 3 4 5	to negotiate amendments. And I'll take you through some of that history later. It was really a negotiation tactic. It's to put leverage on. So that's the first default, and I'm	2	unaudited statements as one of the three. They don't say how it actually harms them that we gave them information consolidated for three quarters, rather than one, or how it's material. And the first supposed breach that
2 3 4 5 6	to negotiate amendments. And I'll take you through some of that history later. It was really a negotiation tactic. It's to put leverage on. So that's the first default, and I'm ready to move on to the financial default, if Your	2 3 4 5 6	unaudited statements as one of the three. They don't say how it actually harms them that we gave them information consolidated for three quarters, rather than one, or how it's material. And the first supposed breach that they're complaining about today, this was March 2022.
2 3 4 5 6 7	to negotiate amendments. And I'll take you through some of that history later. It was really a negotiation tactic. It's to put leverage on. So that's the first default, and I'm ready to move on to the financial default, if Your Honor is ready.	2 3 4 5 6 7	unaudited statements as one of the three. They don't say how it actually harms them that we gave them information consolidated for three quarters, rather than one, or how it's material. And the first supposed breach that they're complaining about today, this was March 2022. No one had any problem with this until months later.
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	Page 113		Page 115
1	that's not 75 days from the end of the quarter.	1	
2	Sorry. They were due on September 13, not on August	2	you didn't add an entity with negative net worth as a
3	14, as the lenders say, if you do the math.	3	
4	But in any event, if you look at 145,	4	
5	again, we gave highly detailed statements — income	5	-
6	statement, cash statement, on page 1; balance sheet on	6	
7	page 2; p&L on page 3; cash flow statement, and all	7	
8	those notes.	8	5 5 5
9	And although we didn't provide it for	g	
10	P&L, for the other BYJU's company, we even gave the	10	
11	comparison to previous years that they're complaining	1	
12	they didn't get. And you'll find that in JX 150,	1:	
13	which has a P&L comparing Q1 '22, '23, to Q1 '21, '22.	1;	
14	JX 151 is a document showing year-on-year revenue	14	
15	trends. And JX 152, which is group company key	15	
16	performance indicators.	10	
17	•		
	So they got a lot of financial	1	
18	information, and they haven't made any showing as to	18	
19	why lack of comparatives for the Think and Learn	19	5 5
20	company is material, when they had all of this other	20	
21	information, or why it allows acceleration for a	2	•
22	\$1.2 billion debt.	2	·
23	Now I want to address in the <i>Natixis</i>	23	3 , ,
24	case that you had Mr. Czeschin talk about, and that	24	failure to provide a deliverable, like audited
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 114		Page 116
1	Page 114 was also featured heavily in the brief, for the	1	
1 2	•	1 2	accounts, was so material that it allowed you to
	was also featured heavily in the brief, for the		accounts, was so material that it allowed you to accelerate. There was a cure period.
2	was also featured heavily in the brief, for the proposition that a default is a default is a default.	2	accounts, was so material that it allowed you to accelerate. There was a cure period. Now, they relied on the amendment that
3	was also featured heavily in the brief, for the proposition that a default is a default is a default. It's not true that the <i>Natixis</i> Court refused to	3	accounts, was so material that it allowed you to accelerate. There was a cure period. Now, they relied on the amendment that came later, when we were in negotiations, where we
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	Page 117		Page 119
1	unconscionable to accelerate on it when the audited	1	It says, "(provided there has been no acceleration of
2	statements are around the corner.	2	the Term Loans)"
3	Now, he talked about Deloitte. And I	3	ATTORNEY KORPUS: Right. But that
4	have issues about referring to a letter from Deloitte	4	but that assumes that there was a valid acceleration
5	where it's clear rank hearsay; they're not here, they	5	in the first place, right? I don't think you can
6	weren't subpoenaed, they weren't deposed. He's	6	say
7	putting up a letter that was from public sources.	7	THE COURT: I understand.
8	But what the company has said in its	8	ATTORNEY KORPUS: It's kind of
9	releases, and what Mr. Ravindran testified to in his	9	circular the way it's written, right? I don't think
10	deposition, is Deloitte was replaced with BDO. BOD is	10	you can say that failure to provide it does not
11	another large firm. BDO promised the audited	11	failure to provide financial information is not a
12	financial results by the end of September. So in a	12	default, unless there's been an acceleration, but then
13	month, they're going to have those audited financial	13	base the acceleration on the failure to provide the
14	results.	14	financial statements. I think what that says is, if
15	And the question is whether this	15	there's an acceleration for something else, like for
16	delay have they shown any damage as a result of the	16	nonpayment, for example, that's a different issue.
17	delay? Have they shown any prejudice? Have they	17	THE COURT: But it doesn't say that.
18	shown any impairment? Without that, relying on that	18	ATTORNEY KORPUS: It doesn't say that.
19	delay to accelerate and forfeit the company is a	19	It may be a little unclear about it. But I don't
20	penalty that's not allowed under New York law. And	20	think it would be completely circular otherwise.
21	what's important	21	It would defeat the purpose of that provision. If you
22	THE COURT: But my point and I	22	could just accelerate based on failure to provide the
23	didn't really string words together in a cognizable	23	statement, then what's the point of the provision?
24	way, and I apologize.	24	And it's not like they didn't receive
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
4	Page 118	4	Page 120
2	I understand your argument to be that Section 1.11, and this ability to deem a cure upon	1 2	financial statements. I showed you all the financial statements they will receive, and they will receive
3	delivery at sort of any time in the future, indicates	3	audited financial statements. But where is the loss?
4	that failure to deliver financial statements on the	4	How does this cost them?
5	contracted-for period can't support acceleration	5	And now I think we need to talk a
6	because 1.11 shows that failure to provide them timely	6	little bit about what were the lenders doing. Sorry.
7	wasn't material.	7	Going back to Stanhope, there's been
8	Is that your argument?	8	no loss to them. And, in fact, there's no evidence
9	ATTORNEY KORPUS: That's my argument.	9	that the trading price went down in September 2022,
10	THE COURT: And so my question is how	10	when the other financials weren't provided. And, in
11	1.11 can support that, when it still provides for the	11	fact, the lenders kept trading. And this is
12	right to accelerate.	12	important. If this was impairing their security, why
13	ATTORNEY KORPUS: What provides for	13	did they buy more?
14	the right to accelerate? 1.11?	14	So if you look, for example, at
15	THE COURT: Yes. It doesn't put off	15	Redwood, which is the largest holder here, they just
16	the ability to accelerate to such time as it might be	16	kept buying. Exhibit JX 157 shows that on
17	deemed to be cured.	17	September 27, 2022, after the supposed first quarterly
18	ATTORNEY KORPUS: I don't believe that	18	report breach, and at almost exactly the same time of
19	1.11 gives you the right to accelerate.	19	the supposed audited statement breach, they had
20	THE COURT: It doesn't. That is not	20	\$33 million.
21	the source of the right.	21	Then, when you look at Exhibit JX 172,
22		22	it shows that interest increased to \$165 million as of
23	ATTORNEY KORPUS: Right. THE COURT: But it cuts off the right	23	November 21, 2022, two months later. And then, if you
23	to cause a cure upon late delivery upon acceleration.	23	look at the position as of March 1, 2023, that's in
24		4	
	CHANCERY COURT REPORTERS	i .	CHANCERY COURT REPORTERS

	Page 121			Page 123
1	JX 219 and 220, Redwood increased its position to	1	keeps their powder dry. They want to call it the	9
2	\$216 million.	2	specified default so they don't waive their right.	
3	So to hear complaining about not	3	Fine. We don't agree, but we're going to try and	
4	receiving audited financial statements, they didn't	4	negotiate.	
5	seem to care that much about it. They kept buying and	5	So, Your Honor, we don't believe that	
6	buying and buying. They increased by, I think,	6	any of these breaches justify acceleration of the	
7	seven-fold their holding in BYJU's over the time that	7	loan. And we don't believe that the amendments change	
8	they're complaining about not getting these	8	that at all. And we – we believe that plaintiffs	
9	statements. Because, Your Honor, it's all just about	9	have failed to show that there was a breach with	
10	leverage. And it doesn't justify acceleration.	10	respect to Whitehat, given the fact there was no	
11	There's been no effect on the security. And as I	11	actual obligation to achieve the Whitehat guarantee at	
12	mentioned before, BYJU's Alpha kept paying.	12	all, and that the possibility of doing so was	
13	Now, I think I addressed the specified	13	foreclosed by impossibility.	
14	default provision and why we don't believe it supports	14	As to financial reports, they've not	
15	what the lenders are doing here. It's just a	15	shown how they've been negatively impacted, how the	
16	definition.	16	security and chance of repayment has been impacted by	
17	By the way, the reason why you've	17	the fact that we didn't provide certain information,	
18	heard so much from Mr. Czeschin about the amendments	18	like comparisons to previous years.	
19	and so little about the agreements – he didn't take	19	And as for the audited statements,	
20	you through the financials. He didn't really take you	20	they haven't shown any impairment from that either,	
21	through the defaults is because the testimony of	21	even though we and, certainly, we hope to provide	
22	record is that GLAS never performed any analysis,	22	those next month, when BDO completes its audit.	
23	before serving the notice of acceleration and	23	And BDO, by the way, was already in	
24	enforcement, as to whether there was a default. They	24	the audit. It was auditing the subsidiaries. It's	
24	·	24	-	
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS	
	Page 122			Page 124
1	Page 122 weren't able to point to any analysis done by anyone	1	just now taking over the audit of the parent company.	Page 124
1 2	_	1 2		Page 124
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2	weren't able to point to any analysis done by anyone else. That's in the Goldstein deposition, at 42:19 to	2	just now taking over the audit of the parent company. And none of that is enough to	Page 124
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	Page 125			Page 127
1	steering committee, has the second-largest holding, I	1	and disqualify the distressed lenders if you find out	3
2	think. Maybe not, but it is a large holder, over	2	that they were distressed lenders. It specifically	
3	\$100 million. It lists distressed investing as one of	3	allows for that right, and that's exactly what's going	
4	its specialties on their LinkedIn page.	4	on here.	
5	And another steering group member,	5	The other we have a point about	
6	Silver Point, was recently described by Bloomberg as	6	sorry. I just wanted to address the nonpayment of	
7	"among the titans of distressed investing."	7	interest now, after all this damage has been done.	
8	So that's what's going on here. They	8	To be clear, we don't believe that's	
9	were not supposed to even be in the deal, and they're	9	a I don't believe their argument that it's a basis	
10	driving the bus, and they're driving it over a cliff.	10	for putting in Mr. Pohl, because it happened ex post	
11	THE COURT: So why didn't BYJU's Alpha	11	facto, right? You can't turn back the clock and rely	
12	exercise its disqualification rights?	12	on something that happened later. But just to give	
13	ATTORNEY KORPUS: Because we were	13	you the context, the brief doesn't really argue that	
14	negotiating in good faith. We were trying not to	14	nonpayment gives them the right in this 225 action to	
15	antagonize the lenders. We were trying to get to a	15	put Mr. Pohl in as a director. And their complaint	
16	deal. We were negotiating in good faith. They	16	doesn't do it, and they didn't move to amend the	
17	weren't.	17	complaint. We certainly object to being able to rely	
18				
	But what we wouldn't do, they asked us	18	on actions that happened later.	
19	as a precondition to the negotiations to waive the	19	But Mr. Czeschin did say that they	
20	right forever. And we wouldn't do that. We said, as part of an amendment, we'll waive it. But we're not	20	sent an invoice for the interest that wasn't paid, and	
21	•	21	that's actually not true. Because when you look at	
22	going to waive it on day one and lose all leverage.	22	what they sent us, which is JX 287, what they sent us	
23	But we won't exercise it for now because we really do	23	is an invoice for the whole amount, for \$1.25 billion,	
24	want to get to a deal with you. And now we're being	24	in accelerated term loans, plus interest, plus	
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS	
	Page 126			Page 128
1	Page 126 penalized for doing so.	1	\$8 million of professional fees that we don't believe	Page 128
1 2	•	1 2	\$8 million of professional fees that we don't believe they're entitled to, because the agreement says	Page 128
	penalized for doing so.		·	Page 128
2	penalized for doing so. In any event, it doesn't really	2	they're entitled to, because the agreement says	Page 128
2	penalized for doing so. In any event, it doesn't really matter, because even after we exercised it, they're	2	they're entitled to, because the agreement says they're only entitled to one advisor and they've got	Page 128
2 3 4	penalized for doing so. In any event, it doesn't really matter, because even after we exercised it, they're refusing to recognize the validity of it because	2 3 4	they're entitled to, because the agreement says they're only entitled to one advisor and they've got an army of advisors. And they made it clear that if	Page 128
2 3 4 5	penalized for doing so. In any event, it doesn't really matter, because even after we exercised it, they're refusing to recognize the validity of it because they're saying that, at this point, Mr. Pohl took	2 3 4 5	they're entitled to, because the agreement says they're only entitled to one advisor and they've got an army of advisors. And they made it clear that if we were to pay just the interest, they're going to	Page 128
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	Page 129		Page 131
1	tens of millions of dollars and completely rewrite the	1	who are not supposed to be in the deal in the first
2	obligations.	2	place.
3	And when you look at the negotiation	3	Your Honor, I just briefly, before I
4	history, it actually tells you that. So in October	4	end, want to address the fees paid to Mr. Pohl, which
5	2022, after these defaults, so-called defaults	5	we have an issue with in our brief.
6	happened, lenders made two "offers." And I'm using	6	Mr. Pohl has agreed to pay himself
7	speech marks. The first was to pay the entire term	7	\$75,000 a month for a minimum of three months under
8	loan at 105 percent, plus all kinds of costs. So more	8	some independent director agreement that he entered
9	than they would get in an acceleration, acceleration	9	into. That dates back to March 3. When he took over
10	plus.	10	BYJU's Alpha in May, he was back-paid \$150,000 for
11	And the second was perhaps even more	11	months he didn't actually serve as a director because
12	Draconian. It was immediate payment of two-thirds of	12	he didn't have control of anything.
13	the loan, as well as an exit fee of the total loan for	13	We're not so he's already paid
14	each month it was still outstanding, and a consent fee	14	himself, at the time of his deposition, \$375,000 for
15	of 402 percent and penny warrants of 5 percent of the	15	being a director of a company that doesn't have any
16	parent's guarantor with antidilution provisions.	16	assets, doesn't have any operation, doesn't do
17	That's in the declaration of Mr. Ravindran. And those	17	anything, not clear what he does. Level of pay
18	offers were not good-faith attempts, and they were	18	doesn't make any sense. And we believe it's a
19	actually way beyond the pale.	19	violation of the status quo order.
20	And we continued to negotiate in good	20	Having said that, if the Court were to
21	faith, and you have some of that. We responded, in	21	keep him in place, we'd be willing for him to while
22	JX 202 and 203, with a term sheet which offered	22	the case goes to New York, we'd be willing, you know,
23	concessions worth tens of millions of dollars,	23	to put up with it. But otherwise, we really don't
24	including an interest rate increase of 300 basis	24	believe that it's appropriate level of compensation.
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
1	Page 130	1	Page 132
1 2	points, 3 full percent, and further interest rate	1	He says it is part of the ordinary
2	points, 3 full percent, and further interest rate increases.	2	He says it is part of the ordinary course of business provision of the SQO. We don't
2	points, 3 full percent, and further interest rate increases. That was summarily rejected by the	2	He says it is part of the ordinary course of business provision of the SQO. We don't think there's anything ordinary about that
2 3 4	points, 3 full percent, and further interest rate increases. That was summarily rejected by the lenders, who countered, in JX 202 and 203, with an	2 3 4	He says it is part of the ordinary course of business provision of the SQO. We don't think there's anything ordinary about that compensation. Plaintiffs argue that they benchmarked
2 3 4 5	points, 3 full percent, and further interest rate increases. That was summarily rejected by the lenders, who countered, in JX 202 and 203, with an immediate pay-down of \$252 million at the penalty	2 3 4 5	He says it is part of the ordinary course of business provision of the SQO. We don't think there's anything ordinary about that compensation. Plaintiffs argue that they benchmarked it against the market for independent directors. I
2 3 4 5 6	points, 3 full percent, and further interest rate increases. That was summarily rejected by the lenders, who countered, in JX 202 and 203, with an immediate pay-down of \$252 million at the penalty premium for 105 percent, and a further 240 million to	2 3 4 5 6	He says it is part of the ordinary course of business provision of the SQO. We don't think there's anything ordinary about that compensation. Plaintiffs argue that they benchmarked it against the market for independent directors. I don't think they benchmarked it against the market for
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	Page 133			Page 135
1	amendments. And the parties agreed	1	York action. They didn't file a McWane there. They	
2	ATTORNEY KORPUS: I'm sorry, Your	2	don't make a McWane argument because it's the	
3	Honor. I didn't realize there was going to be a	3	later-filed action. It was filed months after this	
4	reply. I thought Mr. Czeschin had already used all of	4	case was filed. And that case, you know, it will take	
5	his time.	5	a very long time to get resolved in New York. And the	
6	THE COURT: I'll give you a couple	6	whole purpose of Section 225 is to provide a prompt	
7	more minutes at the end as well. Thank you.	7	means to resolve these types of disputes.	
8	ATTORNEY CZESCHIN: The parent	8	And they said, well, it's only an SPV,	
9	guarantor did agree that they would not attempt to	9	a special purpose entity. There's no assets; there's	
10	disqualify a lender for a period of time during the	10	nothing that can be done. That is wrong. It might be	
11	negotiations. But that was one of the later	11	a special purpose entity, but it's not the case that	
12	amendments. In all of the earlier amendments, there	12	this case getting resolved isn't important to the	
13	was no such agreement, and that was only for there	13	parties and to the company.	
14	was a period of time during the forbearance period,	14	This is a company that has an	
15	and a tail period afterwards, they agreed that they	15	accelerated \$1.2 billion debt. And, you know, I don't	
16	would not exercise that disqualification right. But	16	want to get into the issue a lot about the	
17	they never exercised that right during all of the	17	\$500 million transfer that we talked about before, but	
18	prior months in which they claim now they were being	18	this company might have a right to go after that	
19	oppressed and they had the ability to do so.	19	\$500 million that was transferred out. And, you know,	
20	So I wanted to address Your Honor's	20	those issues need to be resolved promptly.	
21	question on that.	21	This is important. It's important to	
22	Focusing now on the other side's	22	GLAS. It's important to the lenders that we figure	
23	argument. I think that their position, first on the	23	out who's in charge of this company so we can figure	
24	forum, is clearly incorrect. As we said, we believe	24	out whether or not this company can chase that \$500	
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS	
	Page 134			Page 136
1	Page 134 Pohl is here in a personal capacity. This affects his	1	million; you know, whether it can do other things	Page 136
1 2	Page 134 Pohl is here in a personal capacity. This affects his office. This affects his ability to get the pay that	1 2	million; you know, whether it can do other things related to the acceleration of the loan.	Page 136
	Pohl is here in a personal capacity. This affects his		-	Page 136
2	Pohl is here in a personal capacity. This affects his office. This affects his ability to get the pay that	2	related to the acceleration of the loan.	Page 136
2	Pohl is here in a personal capacity. This affects his office. This affects his ability to get the pay that we just heard about. This is personal to him. We	2	related to the acceleration of the loan. So it is very important. It is	Page 136
2 3 4	Pohl is here in a personal capacity. This affects his office. This affects his ability to get the pay that we just heard about. This is personal to him. We think he is here in a personal capacity.	2 3 4	related to the acceleration of the loan. So it is very important. It is exactly what Section 225 provides for, as you can see	Page 136
2 3 4 5	Pohl is here in a personal capacity. This affects his office. This affects his ability to get the pay that we just heard about. This is personal to him. We think he is here in a personal capacity. But beyond that, GLAS certainly has a	2 3 4 5	related to the acceleration of the loan. So it is very important. It is exactly what Section 225 provides for, as you can see in the <i>Hawk Holding</i> case, which was very similar.	Page 136
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	Pag	e 137			Page 139
1	And then this idea that they said		1	down.	g
2	well, you're entitled to send the notice of event of		2	And there's no dispute about this.	
3	default and acceleration, but that doesn't mean that		3	They admit it in their answer, that they didn't	
4	we don't have defenses. You know, I also don't think		4	provide that. It's paragraph 54 of the answer.	
5	that's credible, but it's also beside the point.		5	"Defendants admit that, around March 16, [], Think	
6	Because the trigger event in the		6	and Learn provided GLAS with financial statements for	
7	pledge agreement and the security agreement is the		7	the then-elapsed portion of [the] fiscal year" – so	
8	sending of the notice. It's not whether or not the		8	that's the nine months "[] that it did not provide	
9	notice is — whether or not they have some defenses to		9	GLAS with financial information for [the] third fiscal	
10	the notice, they have arguments against the notice.		10	quarter and did not provide GLAS with [fiscal]	
11	The triggering event that allows GLAS to take over		11	information for [the] previous fiscal year."	
12	control is the delivery of the notice. And if they		12	There's no dispute that the stuff that	
13	want to challenge it, I guess they can challenge it.		13	they were giving us yes, they gave us numbers, but	
14	But that triggering event, when that notice was sent,		14	those numbers were not in accordance with the	
15	GLAS had the power to take over the company. And		15	contract.	
16	that's what the contract says. And that's JX 19.		16	And then, also, when you get to	
17	They also then looked at that first		17	September, they failed to give us the audited numbers,	
18	waiver agreement, and Your Honor was correct. All		18	which is particularly significant, and as I think Your	
19	that first waiver agreement said was you guys didn't		19	Honor noted.	
20	get the Whitehat guarantee by April 1; we agree not to		20	There was also the statement about,	
21	enforce that obligation for another six months. So		21	well, the unconscionable conduct of the lenders in	
22					
	this is not the lenders acting in a predatory manner.		22 23	this whole argument. We don't think that that is	
23	They're saying, fine, take another six months.			correct at all. But they said, well, we're going to	
24	Now, did they ask for some fee in		24	do that in New York. We didn't we can't do that	
	CHANCERY COURT REPORTERS			CHANCERY COURT REPORTERS	
	Pag	e 138			Page 140
1	Pag connection with that? Yes. Because lenders do that.	e 138	1	here. They can do it here, and, in fact, they have	Page 140
1 2	_	e 138	1 2	here. They can do it here, and, in fact, they have done it here. If you look at the affirmative	Page 140
	connection with that? Yes. Because lenders do that.	e 138			Page 140
2	connection with that? Yes. Because lenders do that. You know, you didn't live up to your obligation, so	e 138	2	done it here. If you look at the affirmative	Page 140
2	connection with that? Yes. Because lenders do that. You know, you didn't live up to your obligation, so we're going to give you six months more. You know,	e 138	2	done it here. If you look at the affirmative defenses, in the answer to the complaint, they say	Page 140
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2 3 4 5	connection with that? Yes. Because lenders do that. You know, you didn't live up to your obligation, so we're going to give you six months more. You know, you're going to have to pay our legal fees in connection with this, et cetera. That's just normal	e 138	2 3 4 5	done it here. If you look at the affirmative defenses, in the answer to the complaint, they say "Plaintiffs' acceleration and enforcement actions are unconscionable and unwarranted because the purported	Page 140
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	Page 141		Page 143
1	and then the next day the lender calls the loan. This	1	THE COURT: Oh, thank you. I don't
2	has been going on for over a year almost, now, and	2	know how you-all knew about that. That's a little
3	there have been months and months of negotiations, and	3	creepy.
4	there was forbearance after forbearance after	4	ATTORNEY KORPUS: Your Honor, first of
5	forbearance.	5	all, on the jurisdiction clause, maybe there is case
6	What would they have rather us done,	6	law that says "relating" is broader than "arising."
7	accelerate the loan six months ago instead of	7	But the difference here is that you have above arising
8	negotiating? You know, we took the lesser course and	8	and relating, and then the draftsmen especially took
9	tried to negotiate a resolution. That is not	9	the arising out of the exceptions. So it says
10	unconscionable conduct.	10	relating only. So it's not for disputes arising out
11	Also, you know, when you're a lender	11	of the contract. That's a distinction drawn within
12	and you're not getting the financial information that	12	the clause itself.
13	you were promised, then you go to the other side and	13	Mr. Czeschin said that it's going to
14	you say, we're not getting the stuff that we were	14	take forever in New York. If it is as simple and
15	promised. We want that, but now I'm also really	15	straightforward as they say, it will be determined on
16	concerned about my debt. I want something else. You	16	a motion to dismiss. If it's as simple – they'll do
17	know, not only do I want the information you didn't	17	what we did here. The reason they agreed to this, and
18	give me, but because you didn't give it to me, now I'm	18	the reason we agreed to this hearing on a paper
19	really concerned. I would like you to pay down some	19	record, is because we don't believe that there is
20	of the debt. I would like to get, you know, my 1.2	20	really any need for any witnesses here. We believe we
21	billion go down to a billion. There's nothing wrong	21	can argue on this issue based on the record.
22	with that. That's what lenders do. That's what	22	Yes, we didn't subpoena the lenders.
23	Mr. Spencer testified.	23	We're still talking to the lenders. We're still
24	You know, they're in a bad position.	24	negotiating. We're still hoping to do a deal. It's
	CHANCERY COURT REPORTERS		CHANCERY COURT REPORTERS
	Page 142		Page 144
1	Page 142 They want to de-risk because they've got a company	1	Page 144 what we want to do. We didn't want to aggravate them
1 2	•	1 2	•
	They want to de-risk because they've got a company		what we want to do. We didn't want to aggravate them
2	They want to de-risk because they've got a company that its internal controls are so bad they can't	2	what we want to do. We didn't want to aggravate them further by having to subpoena them. But we believe
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2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	They want to de-risk because they've got a company that its internal controls are so bad they can't produce compliant quarterly financials internally, and they can't produce audited financials at all. So THE COURT: Why don't you make one more brief point and then I'll ATTORNEY CZESCHIN: I've got it. Thank you, Your Honor. THE COURT: Thank you. ATTORNEY CZESCHIN: The only point I'd like to make is, you know, on Redwood, they were an original lender. They consented to Redwood being in the debt. I think that's clear from the record, the master consent agreement. I also want to note we do have a hearsay objection to Mr. Riju Ravindran's declarations being considered for the truth of the matter. They're hearsay under 801, and there's no exception. THE COURT: Thank you very much. ATTORNEY CZESCHIN: Thank you. ATTORNEY CZESCHIN: Thank you. ATTORNEY KORPUS: I'll be very brief, and then you can go celebrate your son's birthday,	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	what we want to do. We didn't want to aggravate them further by having to subpoena them. But we believe you have everything you need to make a determination. They got lots of financial information. For the first time, I had Mr. Czeschin recognize, saying exactly what I told you. They got some information, they got three quarters, but on the fourth quarter, they didn't get comparables. That's not enough. That's not enough to accelerate a \$1.2 billion loan. And he says that on the — giving notice, that the — the act of just giving the notice is enough to accelerate the loan. That's all they have to do. That's absurd. If that was the case, there wouldn't be any lawsuits. You could issue a default notice even when there's no default at all and accelerate the loan. That's not how it works. You always have the right to come to court and say, hey, that acceleration wasn't proper. And we didn't say that we can't argue unconscionability here as a defense of the 225. What we said is, number one, we have claims for damages arising from that, and those can be brought in New

	Page 145		Page 147
1	whether or not there has been a default belongs in New	1	<u>CERTIFICATE</u>
2	York, because it's so fundamental. Not just to what	2	We, JULIANNE LABADIA and DEBRA A.
3	we're doing here. They want to take this decision and	3	DONNELLY, Official Reporters for the Court of Chancery
4	use it in other jurisdiction and say, a-ha, the Court	4	of the State of Delaware, do hereby certify that the
5	found that there was a default. A New York court is	5	foregoing pages numbered 3 through 146 contain a true
6	the right court to make that decision. That's what	6	and correct transcription of the proceedings as
7	the parties agreed to.	7	stenographically reported by us at the hearing in the
8	And I believe that's all I have, Your	8	above cause before the Vice Chancellor of the State of
9	Honor.	9	Delaware, on the date therein indicated.
10	THE COURT: Thank you very much.	10	IN WITNESS WHEREOF we have hereunto
11	ATTORNEY KORPUS: Thank you.	11	set our hands at Wilmington, this 4th day of August,
12	THE COURT: I wanted to know if	12	2023.
13	you-all planned on exchanging one more round of	13	2020.
14	briefing. Obviously, you joined issue today, but I	14	/a/ Tylianna TaPadia /a/ Dahra A Dannally
15	only have one round; basically, your simultaneous	15	/s/ Julianne LaBadia /s/ Debra A. Donnelly
16		16	Official Court Reporter Official Court Reporter
	openings.		
17	ATTORNEY CZESCHIN: The pretrial	17 18	
18	order or not the pretrial order, the scheduling		
19	order, I believe says that there won't be post-trial	19	
20	briefing. We haven't talked about it.	20	
21	If Your Honor thinks post-trial	21	
22	briefing would be helpful, I'm happy to talk with them	22	
23	about it. But if Your Honor thinks that the record as	23	
24	it is is sufficient, we're happy to stand on it as	24	
	CHANCERY COURT REPORTERS		
	Page 146		
1	well.		
2	ATTORNEY KORPUS: We'd be happy to do		
3	it if Your Honor wants it.		
4	THE COURT: All right. I'll let you		
5	know. I just wanted to check in on your expectations.		
6	Thank you all very much. Travel safe.		
7	I appreciate the accommodation on the time. I		
8	remembered why you knew that, and thank you very much.		
9	Take care.		
10	(Court adjourned at 12:30 p.m.)		
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	CHANCERY COURT REPORTERS		

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C	ase 24-!	104/22 107/5 107/10 5009/5 169/14 110/8C 42	2-2 Filed 02/29/24	1st 131 18/7 18/8 37/24	105/20 32.13 [2] 92/21 93/12
ALIORNET	CERO:	111/3 111/19 116/16	' [1] 51/21	2	34 [1] 89/15
[2] 3/4 3/12		117/22 118/10 118/15	ī	20 [2] 105/10 124/12	37 [1] 6/17
ATTORNEY		118/20 118/23 119/7	<u></u>	2019 [1] 92/24	3rd [3] 27/21 31/23
CZESCHIN: [5	-	119/17 125/11 126/9	/s [2] 147/14 147/14	202 [2] 129/22 130/4	37/6
4/2 4/6 4/10 7/		132/15 133/6 142/6	0	2020 [1] 53/21	
15/2 15/9 23/7		142/10 142/20 143/1	0526 [1] 1/23	2021 [6] 13/17 44/4	4
24/11 25/13 25 28/20 28/23 35		145/10 145/12 146/4	<u></u>	54/8 60/6 60/7 110/19	400 [1] 98/4
39/24 40/8 41/		VARIOUS COUNSEL:	1	2022 [41] 8/24 9/10	402 [1] 129/15
42/11 43/1 43/		[1] 3/2	1.11 [6] 115/13 118/2	10/5 10/15 11/9 12/12	4089744 [1] 92/24
44/18 45/8 45/		c	118/6 118/11 118/14	12/17 16/8 16/22 17/4	42:19 [1] 122/2
46/10 46/20 46		\$	118/19	17/9 19/13 37/24 38/4	43:14 [1] 122/3
47/23 49/5 49/		\$1.2 [11] 6/15 28/2	1.12 [1] 87/21	38/22 38/23 39/4 43/6	45 [2] 13/7 16/6
53/15 57/15 64		74/11 74/24 94/10	1.2 [1] 141/20	43/7 43/8 43/16 46/16	45-day [2] 16/7 34/5
65/9 65/21 66/		113/22 115/10 124/3	10 [1] 18/20	54/2 54/11 98/14 98/18	4th [1] 147/11
67/7 67/19 68/		135/15 136/10 144/10	10.2 [1] 20/12	99/13 101/19 103/8	5
69/11 70/10 7		\$1.2 billion [11] 6/15	10.9 [2] 62/9 77/21	103/14 105/10 108/19	
132/18 133/8		28/2 74/11 74/24 94/10	100 [1] 134/6	110/21 112/6 112/22	5.1 [6] 9/21 10/22 43/15 45/9 110/12
142/11 142/21	145/17	113/22 115/10 124/3	100 percent [2] 4/17	120/9 120/17 120/23	111/22
ATTORNEY K	ORPUS:	135/15 136/10 144/10	29/22	128/17 129/5 138/13	5.14 [1] 44/15
[65] 53/6 73/4		\$1.25 [1] 127/23	104:17 [1] 122/3	2023 [4] 1/13 87/15 120/24 147/12	5.14 [1] 44/15 5.17 [15] 37/20 39/1
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83/7 83/10 83/	24 84/16	\$150,000 [1] 131/10	105:8 [1] 122/3	2024 [1] 88/12 2025 [1] 53/22	46/24 47/13 47/21 51/1
85/20 86/1 86/	6 86/11	\$165 [1] 120/22	10:46 [1] 72/24	203 [2] 129/22 130/4	98/11
90/16 91/10 9	1/14	\$165 million [1] 120/22	11 [3] 35/15 35/16	21 [7] 13/14 13/18 62/9	5.9 [25] 12/7 12/10
91/21 94/17 95		\$200 [1] 124/16	120/10	77/22 78/1 98/23	38/20 39/22 40/1 41/12
96/21 96/23 97		\$200 million [1] 124/16	111 [9] 33/20 33/21	120/23	41/20 42/9 42/15 43/15
99/11 99/22 10		\$216 [1] 121/2	0-110 0011- 00122 0112	219 [1] 121/1	43/15 44/9 45/10 45/11
101/3 101/9 10		\$216 million [1] 121/2	37/3 37/14 48/1	220 [1] 121/1	45/12 46/12 46/13
102/20 102/23		\$22 [1] 6/10	11400 [1] 1/22 117 [1] 48/1	225 [30] 1/18 4/14 5/11	99/23 100/3 100/3
103/16 103/21		\$22 billion [1] 6/10	11:03 [1] 73/1	31/3 61/2 61/3 68/23	100/6 104/5 104/7
107/9 107/11		\$252 [1] 130/5	12 [3] 9/10 85/19 98/6	69/8 69/16 69/17 71/22	104/18 108/8
109/21 110/9		\$252 million [1] 130/5	125 [1] 21/8	72/2 72/7 72/11 72/13	50 [1] 92/23
111/20 116/21 118/13 118/18		\$300 [1] 41/1	127 [1] 21/8	82/15 83/1 83/6 83/17	50 percent [2] 27/16
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125/13 126/14		\$33 [1] 120/20	12:30 [1] 146/10	89/10 90/13 90/13	500 [2] 1/12 1/22
133/2 142/22		\$33 million [1] 120/20	12th [1] 8/24	127/14 135/6 136/4	51 [1] 21/15
145/11 146/2		\$375,000 [1] 131/14	13 [3] 98/6 112/24	144/21	516 [1] 92/22
ATTORNEY N	EAL: [1]	\$38 [1] 32/12	113/2	225s [1] 66/17	54 [1] 139/4
3/13		\$38 million [1] 32/12	138 [1] 92/23	22nd [1] 59/12	55 [1] 89/12 59 [1] 110/24
THE COURT:	[121]	\$500 [4] 88/5 135/17	14 [2] 88/19 113/3	23 [1] 63/6 24 [4] 13/17 17/4 60/6	39 [1] 110/24
2/19 3/11 3/18	4/1 4/5	135/19 135/24 \$500 million [3] 88/5	144 [1] 21/8	87/15	6
4/8 7/5 7/22 14		135/17 135/19	145 [2] 112/22 113/4	240 [1] 130/6	6th [1] 18/10
23/2 23/11 24/		\$75,000 [1] 131/7	146 [1] 147/5	24th [3] 16/7 16/22	
25/23 28/4 28/		\$8 [1] 128/1	147 [1] 21/8 148 [1] 78/1	44/3	7
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41/24 42/7 42/		\$9 [1] 75/11	150 [1] 113/12	255-0526 [1] 1/23	75 [3] 11/10 110/20
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47/22 49/1 49/			152 [1] 113/15	26 [1] 88/2	8
53/14 57/13 64		'21 [1] 113/13	155 [1] 22/20	27 [2] 10/15 120/17	
64/22 65/4 65/		'22 [3] 99/16 113/13	157 [1] 120/16	273 [1] 130/19	8.1 [5] 13/2 13/11 15/5 15/5 34/6
66/21 67/4 67/		113/13	16 [2] 110/21 139/5	27th [1] 10/5	801 [1] 142/19
68/21 69/5 70/		'23 [2] 112/22 113/13	166 [1] 107/20	287 [1] 127/22	8th [3] 12/17 12/21
72/22 73/2 73/		'Event [1] 13/24	167 [2] 107/20 107/21	29 [1] 112/17	44/7
79/24 80/4 80/		'h [1] 52/7 'important [1] 52/5	168 [3] 9/1 9/7 47/6	3	
82/4 82/14 82/		'in [1] 51/17	17 [1] 105/20	30 [1] 63/6	9
83/9 83/16 84/	10 85/17	'must [1] 52/5	170 [1] 22/13	300 [2] 129/24 130/14	98 [1] 98/23
85/23 86/5 86/		'presumptively [1]	172 [1] 120/21	302 [1] 1/23	9:15 [1] 1/13
91/6 91/13 91/		78/22	175 [1] 16/21	30th [1] 11/9	
94/18 95/5 96/		'provisions [1] 52/3	18 [3] 63/2 63/5 82/9	31 [8] 9/24 11/9 53/22	A
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101/11 102/17			137/16	311 [1] 53/5	ab initio [1] 49/24 abandon [1] 33/5
103/2 103/10	100/10	-and [2] 2/6 2/10	19801 [1] 1/23	317 [3] 98/6 105/9	abanaon [1] 55/5
			- -		

achieve [3] 573/23 597/24723/51 Doc 42728/3796/2014/0/1/24 Α Case 24ability [12] 28/5 54/18 achieving [1] 114/20 advisors [5] 5/19 18/2 81/22 83/18 90/13 91/7 acknowledge [2] 16/14 18/2 86/17 128/4 114/9 116/17 118/2 affairs [1] 87/23 101/21 118/16 133/19 134/2 affect [4] 29/11 62/14 acknowledged [2] able [18] 15/16 28/9 78/12 80/14 17/1 19/24 32/9 32/13 34/12 43/20 acknowledgement [1] affecting [1] 136/17 54/13 54/15 55/18 56/4 50/12 **affects [2]** 134/1 134/2 56/5 65/19 71/16 89/8 acknowledges [3] affidavits [1] 59/10 105/15 106/2 122/1 16/12 18/13 58/15 affiliated [3] 70/12 127/17 acknowledgment [3] 70/23 108/16 above [4] 30/2 63/10 50/10 50/11 94/24 affiliates [2] 97/8 97/15 143/7 147/8 act [2] 57/17 144/12 **affirm [1]** 71/9 absence [2] 46/15 affirmative [3] 140/2 acting [10] 28/14 58/2 109/5 59/6 65/18 66/21 67/17 140/7 140/19 absent [2] 51/2 51/3 90/7 128/23 137/22 aforesaid [1] 54/21 absurd [1] 144/14 138/6 afterwards [1] 133/15 accede [14] 12/5 37/11 action [31] 4/14 25/12 against [13] 62/19 81/1 40/2 46/2 47/4 47/11 32/1 54/4 61/2 62/18 84/20 85/13 85/14 87/4 56/14 59/14 59/23 88/24 93/7 122/17 62/22 64/14 65/5 70/17 100/5 100/10 105/2 71/16 71/22 78/15 122/18 132/5 132/6 107/7 108/7 79/14 80/22 82/5 84/11 137/10 accedes [1] 104/10 84/14 85/21 85/21 agent [18] 1/2 1/3 9/21 acceding [4] 44/11 85/24 88/7 90/8 91/16 10/21 15/15 17/9 19/14 45/24 46/18 100/24 93/11 95/24 114/18 36/4 62/15 62/15 62/16 accelerate [27] 16/18 127/14 128/18 135/1 62/17 63/11 63/14 17/14 29/17 49/17 135/3 68/21 78/13 90/10 50/24 72/18 72/19 92/3 actions [12] 4/16 4/20 115/18 94/9 95/21 109/22 4/21 5/2 5/16 20/4 30/4 aggravate [1] 144/1 115/10 116/2 116/11 31/3 32/21 72/8 127/18 aggressive [1] 73/24 116/24 117/1 117/19 ago [4] 53/17 54/14 140/4 118/12 118/14 118/16 activating [1] 75/1 86/24 141/7 118/19 119/22 124/3 active [1] 89/14 agreed [42] 12/16 17/1 141/7 144/9 144/13 activities [1] 105/7 20/1 20/14 23/4 24/2 144/17 actor [1] 68/11 24/18 38/17 41/4 44/4 accelerated [4] 37/4 actual [8] 9/8 16/20 44/19 45/14 45/17 37/5 127/24 135/15 18/21 18/23 61/8 93/15 47/14 48/8 48/9 48/13 accelerating [2] 74/24 98/8 123/11 66/11 76/3 77/22 77/23 add [2] 91/2 115/2 78/5 80/18 81/6 81/18 acceleration [60] added [3] 14/2 14/4 84/3 86/15 88/22 95/16 15/17 16/16 17/11 91/3 95/16 102/13 102/14 18/14 19/15 20/19 104/2 108/18 116/13 addition [2] 85/16 27/23 31/10 33/24 37/6 122/15 131/6 133/1 130/12 37/13 43/2 43/4 48/5 133/15 143/17 143/18 additional [12] 12/10 48/10 48/15 48/23 49/4 12/11 37/23 39/13 40/3 145/7 50/2 50/6 51/18 74/8 42/17 59/14 97/10 agreeing [1] 103/8 77/14 77/17 92/1 92/8 97/13 97/21 105/12 agreement' [1] 52/6 92/11 93/14 93/22 107/1 agreements [9] 23/5 94/19 94/20 95/2 96/17 address [12] 8/5 53/11 33/3 51/18 52/13 62/23 96/20 96/24 108/10 86/7 90/2 90/12 95/5 63/18 104/13 121/19 109/24 113/21 116/19 106/18 113/23 127/6 134/19 116/20 118/5 118/24 128/13 131/4 133/20 agrees [3] 16/12 18/13 119/1 119/4 119/12 addressed [4] 25/22 102/1 119/13 119/15 121/10 98/20 98/22 121/13 **ah [1]** 136/6 121/23 123/6 128/10 adds [2] 8/24 9/1 ahead [6] 27/21 30/11 128/19 128/24 129/9 30/14 31/24 97/3 97/4 adequate [1] 56/13 129/9 136/2 137/3 adjourned [1] 146/10 all [90] 11/15 17/20 140/4 140/6 144/19 **Admin [1]** 115/18 19/19 23/3 25/5 26/2 access [2] 32/5 124/7 Administrative [6] 1/2 29/21 30/4 30/5 30/7 accommodation [1] 9/21 10/21 17/9 19/13 35/7 36/2 36/3 36/7 146/7 37/11 46/22 47/24 62/17 accomplish [2] 30/5 admit [8] 8/12 8/13 48/11 55/6 55/8 57/8 109/20 11/19 17/12 52/22 57/9 61/2 63/3 63/17 accordance [3] 20/11 130/13 139/3 139/5 65/20 65/24 67/1 69/13 54/19 139/14 admitted [2] 49/19 77/2 77/6 80/11 81/18 according [1] 88/12 50/14 84/9 85/15 86/21 86/22 accounts [4] 32/6 32/6 admitting [1] 19/18 89/13 90/22 95/13 114/22 116/1 95/13 95/15 95/16 adopted [1] 59/12

95/24 96/10 97/7,190/3 100/19 01/14 102/310 104/15 106/22 107/6 107/18 107/22 108/17 111/15 113/7 113/20 115/11 120/1 121/9 122/8 122/9 123/8 123/12 124/6 124/14 125/22 127/7 129/8 130/22 130/22 132/13 133/4 133/12 133/17 137/18 138/15 138/20 139/23 142/4 143/2 143/5 144/13 144/16 145/8 145/13 146/4 146/6 all-caps [2] 36/2 36/3 allege [3] 114/12 114/12 114/14 alleged [4] 74/20 87/20 92/4 95/17 allegedly [1] 61/22 alleging [1] 72/2 **allocate [2]** 106/12 106/13 allocated [2] 106/14 106/16 allow [7] 79/13 79/17 92/3 92/11 95/9 104/7 122/21 allowed [6] 63/14 94/11 107/1 116/1 116/24 117/20 allowing [1] 93/7 allows [5] 63/19 113/21 115/10 127/3 137/11 almost [5] 68/21 75/11 120/18 122/3 141/2 alone [1] 91/2 alongside [1] 97/14 **ALPHA [36]** 1/6 4/17 5/5 6/3 17/21 22/16 22/18 23/7 29/23 30/1 32/8 36/6 40/17 65/19 66/19 66/22 67/5 68/10 68/10 68/14 68/16 70/6 appeals [2] 51/11 70/8 70/12 70/24 77/18 90/6 94/10 98/9 100/9 101/2 104/18 121/12 125/11 131/10 134/7 **Alpha's [2]** 67/16 87/2 alternative [1] 75/23 although [1] 113/9 **always [1]** 144/18 am [1] 106/17 amend [1] 127/16 amended [6] 9/5 13/20 13/20 15/7 49/19 76/4 amending [4] 9/13 13/10 13/10 15/5 amendment [58] 8/22 8/23 9/9 10/6 12/15 13/21 14/2 14/23 16/4 16/5 16/5 16/6 16/10 16/11 16/21 17/3 17/5 18/10 18/11 18/12 18/17 18/24 19/3 19/4 20/8 21/3 21/4 34/13

34/14 34/17 34/18 34/23 34/24 35/4 35/7 35/11 36/11 36/23 37/14 44/6 47/5 50/4 59/4 96/4 96/12 101/5 101/8 102/7 102/10 102/17 106/24 109/9 109/10 116/3 116/5 122/24 125/21 132/24 amendments [35] 8/4 8/10 8/11 8/17 9/12 26/3 26/11 28/18 28/21 29/3 33/6 47/1 47/2 47/16 50/21 57/9 58/21 59/21 60/4 75/8 75/10 95/2 95/13 95/18 101/2 101/4 107/2 110/1 121/18 122/4 123/7 132/23 133/1 133/12 133/12 amends [1] 13/2 **among [2]** 33/3 125/7 **amount [2]** 42/13 127/23 ample [1] 108/15 analysis [2] 121/22 122/1 anchor [1] 114/23 another [17] 6/5 10/18 12/4 18/10 18/19 44/7 46/24 51/1 52/24 64/3 77/5 88/20 117/11 124/24 125/5 137/21 137/23 answer [8] 11/18 25/19 88/2 138/8 139/3 139/4 140/3 140/8 antagonize [1] 125/15 antidilution [1] 129/16 anymore [1] 116/5 anyone [1] 122/1 anyone's [1] 76/2 anywhere [4] 64/7 80/15 95/18 96/8 apologize [1] 117/24 apparently [1] 22/21 92/14 1/24 appears [1] 35/3 appellate [1] 92/6 48/6 54/20 95/7

APPEARANCES [1]

applicable [3] 5/23 application [1] 52/9 applies [3] 59/18 76/24

apply [10] 6/24 7/17 33/16 37/4 37/15 60/2 78/19 94/23 106/10

applying [1] 49/12 appoint [3] 4/19 4/24 5/10

appointed [3] 32/23 53/19 65/11 **appointing [1]** 30/19 appoints [3] 30/3 30/22 30/24

arguments [8] 5/12 5/29/13/33/18/33/19/48/1 Case 24appreciate [1] 146/7 48/2 114/4 137/10 appropriate [3] 80/4 arise [1] 67/5 83/12 131/24 arises [1] 83/18 appropriateness [1] arising [18] 78/6 78/16 89/4 80/19 81/2 82/5 82/11 approval [44] 38/4 82/18 82/19 84/2 102/9 38/5 39/4 40/7 40/10 115/14 134/14 134/16 41/9 42/1 42/22 43/17 143/6 143/7 143/9 43/19 43/20 44/12 143/10 144/23 44/17 45/7 45/13 45/22 army [1] 128/4 45/23 46/3 46/4 46/7 around [7] 7/6 49/8 46/16 46/19 60/17 67/2 69/14 70/17 117/2 60/19 97/22 98/3 98/4 139/5 98/5 98/13 99/12 99/16 **Arsht [2]** 2/5 3/15 99/21 100/4 100/19 article [3] 13/19 13/20 101/18 101/20 103/15 13/21 104/8 104/9 105/2 artificial [1] 74/2 105/12 106/8 106/11 **ASHBY [3]** 2/6 3/16 107/8 89/1 approve [1] 38/7 aside [1] 60/3 **April [51]** 12/12 12/20 ask [3] 21/12 33/6 37/24 38/4 38/22 38/23 137/24 39/4 39/10 39/12 39/12 asked [12] 21/3 21/3 39/14 39/14 39/16 40/3 22/3 22/7 66/8 83/17 40/5 40/9 40/11 41/5 86/3 88/19 88/19 41/10 41/11 41/12 42/1 125/18 132/21 132/22 42/17 43/6 43/7 43/8 asking [1] 82/22 43/16 43/21 43/22 44/1 aspect [1] 7/5 44/5 44/12 44/23 45/1 aspects [2] 7/10 98/6 45/2 45/7 45/12 45/19 asserted [1] 92/8 45/22 46/4 46/16 47/4 asserting [2] 70/22 53/21 98/14 98/18 99/20 99/13 99/16 101/13 asset [2] 81/1 84/20 101/19 103/8 137/20 assets [7] 76/12 81/22 April 1 [42] 12/12 92/4 105/14 107/22 12/20 38/4 38/22 38/23 131/16 135/9 39/4 39/10 39/12 39/12 assume [5] 4/16 5/6 39/14 39/14 39/16 40/3 102/24 108/5 108/7 40/5 40/9 40/11 41/5 assumed [2] 60/18 41/10 41/11 41/12 42/1 60/20 42/17 43/6 43/7 43/8 assumes [1] 119/4 43/16 43/21 43/22 44/1 **Asteria** [1] 122/16 44/5 44/12 44/23 45/1 astral [1] 64/16 45/2 45/7 45/12 45/19 asymmetrical [2] 45/22 46/4 46/16 47/4 79/10 79/11 attempt [2] 106/20 April 1st [1] 37/24 133/9 area [1] 48/16 attempts [2] 97/24 argue [9] 52/19 79/10 129/18 89/4 89/22 106/9 attorney [4] 30/4 30/19 127/13 132/4 143/21 65/23 140/16 144/20 attorney-in-fact [2] arguing [5] 42/14 71/3 30/4 30/19 89/10 96/16 122/5 audit [10] 53/1 54/6 argument [44] 4/3 54/9 54/13 54/15 54/19 14/16 14/21 33/2 33/11 56/2 123/22 123/24 33/12 37/2 37/17 47/1 124/1 56/19 56/23 57/6 59/16 audited [34] 9/22 10/2 59/18 60/12 60/24 61/7 10/10 10/14 10/17 11/3 62/1 62/6 63/22 82/24 27/1 37/8 52/21 52/22 83/4 83/11 86/4 88/9 55/1 55/2 55/15 55/19 88/24 89/8 89/9 90/13 55/23 94/6 109/5 91/4 94/21 95/7 98/16 109/11 110/10 111/19 100/24 108/6 118/1 111/23 115/8 115/24 118/8 118/9 127/9 116/12 117/1 117/11 133/23 134/11 135/2 117/13 120/3 120/19

139/22 140/20

121/4 123/19 136/16

60/23 78/18 81/11

2139/17-142/4 auditing [2] 54/29/24 behalf [8] 3/6 3/21 A/4 17/1897/19 21/11 27/9 68/14 123/24 auditor [4] 53/18 53/23 behavior [1] 140/23 55/1 55/19 71/18 86/14 145/1 auditors [2] 53/19 54/22 benchmarked [2] **Audits [1]** 55/15 132/4 132/6 August [9] 1/13 59/12 **benefited** [1] 73/17 60/7 88/20 105/10 112/16 113/2 128/17 73/5 147/11 **beside [1]** 137/5 August 22nd [1] 59/12 best [2] 6/10 99/17 authority [4] 25/18 bestowed [4] 90/14 49/6 57/13 87/21 90/15 90/16 91/8 authorized [1] 29/21 between [8] 15/10 avoidance [1] 39/3 24/15 31/22 38/16 avoids [1] 94/12 45/20 48/20 77/7 aware [3] 4/7 4/13 104/11 69/16 away [5] 21/9 28/21 134/5 29/1 55/20 128/10 big [2] 6/15 126/18 biggest [1] 124/15 bill [2] 128/7 128/8 back-paid [1] 131/10 backed [1] 130/18 backfire [1] 75/17 98/2 113/22 115/10 background [2] 33/1 124/3 127/23 135/15 56/17 backing [1] 128/10 144/10 bad [6] 50/11 87/11 bind [5] 62/22 67/8 130/13 138/6 141/24 70/18 100/8 100/9 142/2 binders [1] 73/8 bad-faith [1] 87/11 binding [1] 69/24 **bag [1]** 130/13 birthday [1] 142/23 **balance [3]** 28/1 111/9 **bit [5]** 64/16 76/12 113/6 107/17 120/6 134/24 ball [1] 75/5 black [1] 45/20 bank [4] 32/5 38/6 blank [1] 30/13 97/23 105/10 blended [1] 138/20 banker [1] 65/23 blocked [1] 130/7 **Bar [2]** 2/7 2/12 **barely [1]** 111/14 **blow [2]** 19/22 36/1 bargained [1] 136/19 **barring [1]** 87/16 55/10 72/13 **base [1]** 119/13 **BOD [1]** 117/10 based [8] 42/14 74/3 87/10 90/7 95/21 borne [1] 105/23 116/11 119/22 143/21 bases [1] 140/6 105/15 106/3 basic [1] 41/16 borrower [11] 22/16 basically [4] 13/7 61/1 72/6 145/15 basis [9] 11/1 56/13 81/15 100/11 58/6 59/9 73/21 90/7 92/8 127/9 129/24 BDO [4] 117/10 117/11 134/22 123/22 123/23 became [3] 27/7 28/2 106/7 105/17 become [6] 8/14 14/11 16/1 40/2 69/3 91/11 becomes [2] 23/22 19/2 35/18 36/2 36/3 29/20 62/12 103/11 **becoming [1]** 61/18 bedrock [2] 5/22 33/5 69/19 71/12 71/15 began [1] 14/22 71/15 89/24 90/11 **beginning [4]** 31/2

belongs [5] 70/5 70/6 Benson [3] 2/12 3/10 beyond [3] 57/3 129/19 billion [16] 6/10 6/15 28/2 74/11 74/24 94/10 136/10 141/21 141/21 **Bloomberg [1]** 125/6 91/8 board [4] 23/16 55/8 books [2] 54/10 55/16 borrow [4] 60/10 81/16 BROCK [2] 2/2 3/20 23/10 32/8 40/17 42/17 48/12 58/15 75/2 76/11 **borrower's [1]** 97/15 borrowers [2] 114/12 borrowing [2] 105/21 **both [6]** 12/18 24/20 59/10 73/20 98/5 98/5 **bottom [8]** 9/11 13/1 bound [11] 64/12 68/5 100/20 134/9 134/22 box [2] 36/15 45/20

breach [52] 14/12 15/12 38/15 38/23 39/5 39/11 39/15 39/17 41/10 41/17 42/2 42/15 43/8 43/13 43/22 44/1 44/9 44/13 44/17 44/24 45/3 45/7 46/2 46/3 46/4 46/7 46/7 46/11 46/14 46/17 49/14 49/14 50/14 50/15 51/12 52/1 52/20 87/9 92/8 92/16 93/14 94/1 94/4 104/24 112/5 114/8 115/9 115/14 120/18 120/19 123/9 128/15 breached [1] 107/12 breaches [10] 9/16 50/24 74/4 74/21 74/22 87/5 94/13 111/23 114/15 123/6 break [1] 138/17 breaking [1] 99/8 breathing [1] 69/7 brief [23] 7/12 8/6 39/2 49/10 51/8 57/16 58/8 78/21 79/10 83/5 89/13 92/7 92/13 92/24 93/19 98/21 98/22 114/1 126/9 127/13 131/5 142/7 142/22 briefing [4] 25/5 145/14 145/20 145/22 briefly [1] 131/3 briefs [1] 56/17 bring [22] 12/24 13/13 13/14 36/14 53/5 57/6 62/18 65/19 71/6 71/16 78/14 79/13 80/15 80/22 80/24 81/1 83/18 87/4 87/8 89/23 90/13 **bringing [5]** 65/5 65/6 65/10 65/11 68/11 broad [1] 87/1 broader [5] 39/22 134/16 134/17 134/17 143/6 brother [1] 31/12 brought [8] 4/14 67/17 76/21 85/20 85/21 91/2 140/14 144/23 Brown [2] 2/9 3/5 **bsent [1]** 51/22 bucket [2] 83/22 84/12 **budget [1]** 115/15 bullet [2] 50/20 50/21 **bunch [2]** 40/19 136/7 **burden [1]** 56/21 bus [1] 125/10 business [13] 23/13 40/6 40/10 43/17 45/13 75/19 89/14 107/23 126/17 132/2 132/8 138/18 138/24 **busy [1]** 86/12 but [151] buy [3] 6/11 68/6

B Case 24-	60013±1
buying [4] 120/16 121/5 121/6 121/6 Byju [2] 31/11 55/11 BYJU'S [74] 1/6 4/17 5/5 5/24 6/3 6/7 7/24 10/2 16/11 17/20 22/16 22/18 23/7 24/20 27/6 27/22 28/5 29/22 29/24 30/1 30/2 30/15 30/19 31/13 32/8 36/6 40/17 53/2 61/9 61/14 65/19 66/18 66/22 67/5 67/16 68/10 68/10 68/14 68/15 70/6 70/8 70/12 70/24 73/18 74/6 74/9 75/5 75/19 75/23 76/4 76/14 76/22 77/18 87/22 90/5 94/10 95/16 97/8 98/9 98/10 100/9 101/2 104/18 108/6 109/17 110/21 111/6 113/10 121/7 121/12 125/11 126/10 131/10 134/7	51/6 51/57/24 58 92/21 98 cash [6] 26/21 1 113/7 cause [6] 42/2 108 147/8 causes causing 76/14 ceased celebrat Center [CEO [1] certain 50/23 1 123/17 certain 49/20 66 123/21 certifica 115/16 122/17
	certifica 21/19 2 ⁻¹
CA [1] 78/21	certify [
can [+] 1771+ 01710	cetera [2
00/14 123/1	chain [1
called [8] 13/21 18/11	challeng

97/9 129/5 calling [1] 87/6 calls [2] 74/12 141/1 can't [19] 23/19 43/23 48/4 48/18 56/3 57/11 57/12 59/8 59/16 66/14 69/20 84/9 116/5 118/5 127/11 139/24 142/2 142/4 144/20 capacity [10] 1/2 62/16 64/19 65/6 65/11 65/15 71/4 71/11 134/1 134/4 capital [3] 73/21 75/23 124/7 capitulate [1] 76/15 caps [2] 36/2 36/3 care [2] 121/5 146/9 carve [2] 78/10 82/12 carve-out [2] 78/10 case [45] 5/22 6/11 7/12 7/24 8/20 11/18 24/1 24/13 24/16 24/23 24/24 30/17 31/7 33/15 51/11 51/14 56/20 67/21 67/23 69/12 72/1 72/1 72/11 76/19 76/21 77/1 77/12 80/11 92/7 93/19 95/10 105/19 113/24 115/5 122/15 131/22 134/15 135/4 135/4 135/11 135/12 136/5 140/23 143/5 144/14 cases [20] 5/11 48/11

/8 51/18 57/16 8/14 86/12 5/9 122/8 122/9 26/18 26/19 11/10 113/6 6] 39/5 41/17 8/12 118/24 **[1]** 29/17 **[3]** 58/3 70/16 **[1]** 27/13 te [1] 142/23 **[2]** 1/11 1/22 31/13 [6] 4/21 21/17 14/24 122/22 y [7] 24/11 0/13 72/7 127/17 134/5 ate [6] 30/12 122/10 122/13 146/14 ates [3] 21/17 1/22 **1]** 147/4 **2]** 111/8 138/5 1] 25/9 18/24 61/15 74/5 77/13 | challenge [4] 5/12 31/5 | co-counsel [2] 3/9 137/13 137/13 Chambers [1] 1/11 chance [1] 123/16 Chancellor [2] 1/15 147/8 **CHANCERY [4]** 1/1 1/11 1/21 147/3 change [7] 52/12 60/4 60/11 105/18 106/6 106/7 123/7 charge [1] 135/23 chase [2] 81/22 135/24 **check [2]** 28/24 146/5 **Chipman [2]** 2/9 3/5 chose [2] 77/6 140/9 **chutzpah** [1] 88/15 **CICERO [5]** 2/9 2/9 3/5 3/5 86/3 circular [2] 119/9 119/20 circumscribed [1] 51/20 cite [9] 7/12 7/18 22/20 39/8 48/12 49/10 56/20 67/21 92/23 cited [2] 51/15 57/16 **cites [1]** 57/18 citizen [1] 90/19 claim [14] 57/17 66/18 66/24 68/12 68/12 69/22 70/5 70/5 71/6 74/19 77/1 91/8 116/23 133/18 claiming [2] 57/5 57/8 claims [12] 85/13 85/14 86/21 86/22 87/4

9/10.49/17 6/8 30/9 50/16⁴² 722/17 12477 1447224 clause [31] 19/2 62/8 62/9 64/13 67/8 68/3 68/5 69/9 69/13 69/20 76/24 77/3 77/20 78/9 79/1 79/9 79/14 81/17 81/17 90/11 90/21 98/20 99/1 100/15 101/15 103/11 103/19 104/6 134/9 143/5 143/12 clauses [4] 50/23 78/22 79/11 79/18 clean [1] 107/17 clear [20] 11/23 24/5 27/3 38/21 46/11 46/13 60/15 62/21 64/2 64/5 64/5 64/6 67/9 72/16 110/13 117/5 127/8 128/4 131/17 142/14 clearly [11] 14/18 33/16 36/13 55/3 62/1 62/4 68/4 78/24 99/1 133/24 134/20 client [1] 64/10 cliff [1] 125/10 clock [1] 127/11 close [2] 36/15 107/13 closely [3] 64/11 64/19 68/4 **co [2]** 3/9 3/15 3/15 cognizable [1] 117/23 Cole [2] 2/9 3/5 collateral [7] 1/3 30/8 62/16 63/11 63/14 136/13 136/17 colleague [2] 3/16 3/22 **Collection [1]** 84/16 collections [1] 84/11 **collision [1]** 109/3 colloquially [1] 64/24 **colorable [2]** 66/18 66/24 **Com [1]** 122/19 combination [1] 73/16 comes [4] 32/4 32/18 61/12 109/7 comfort [1] 55/24 coming [6] 7/1 7/6 58/17 61/14 94/21 105/23 **commence** [2] 54/13 54/15 **commencing** [1] 53/21 **commercial** [21] 38/3 38/13 41/8 43/11 44/14 44/16 52/10 93/1 98/13 99/3 99/4 99/15 100/12 100/16 100/19 100/22 102/8 104/1 104/4 104/15 104/20 commercially [8] 38/14 38/20 44/21 44/23 101/17 101/22 106/14 109/17 **committee [4]** 74/13

74/18 125/1130/24 committee's [1] 76/15 communication [1] 54/6 companies [2] 98/10 108/17 company [44] 1/2 2/8 4/20 5/7 6/9 18/3 26/17 27/7 31/13 40/18 40/24 53/10 54/2 54/23 55/17 68/2 72/4 75/17 76/11 77/15 89/14 90/15 90/18 95/19 95/20 95/22 97/8 113/10 113/15 113/20 117/8 117/19 124/1 130/22 131/15 135/13 135/14 135/18 135/23 135/24 136/12 136/15 137/15 142/1 company's [1] 89/12 comparable [1] 138/22 comparables [1] 144/8 comparative [1] 112/10 comparatives [1] 113/19 compares [1] 138/23 **comparing** [1] 113/13 comparison [1] 113/11 comparisons [1] 123/18 compel [1] 88/2 compensation [2] 131/24 132/4 complained [1] 112/10 complaining [6] 54/3 112/6 112/16 113/11 121/3 121/8 complaint [10] 86/24 88/15 88/21 90/7 92/20 127/15 127/17 138/9 140/3 140/8 **complete [4]** 10/23 11/3 51/10 54/19 **completely [3]** 23/21 119/20 129/1 **completes [2]** 30/12 123/22 completion [1] 114/21 compliance [4] 21/17 21/18 21/22 52/4 compliant [3] 11/14 27/2 142/3 concede [1] 122/23 conceded [5] 8/1 8/2 17/22 72/17 72/18 concern [2] 25/22 27/9 concerned [5] 26/14 26/16 27/6 141/16 141/19 concerning [1] 40/14 concerns [5] 18/5 26/6 26/12 37/21 109/10 concessions [5] 8/19 74/6 75/14 128/24 129/23 conclusion [1] 49/7 concurrent [1] 63/15

24/19 138/5 102/3 118/5 contractual [12] 5/6 5/8 8/17 15/18 19/20 27/20 48/2 74/4 75/14 79/18 105/5 130/10 contractually [1] 75/13 **contrary [1]** 132/11 control [6] 4/16 4/18 5/7 87/22 131/12 137/12 controlled [1] 126/11

condition [1] 27/7 conditions [1] 114/20 **conduct [8]** 48/8 48/13 51/24 87/8 114/7 114/14 139/21 141/10 confession [1] 122/21 confidential [1] 130/16 **confirm [2]** 4/15 29/1 **confirmed [1]** 65/13 **confirming [1]** 32/20 conglomerate [2] 6/1 **connected** [1] 55/13 **connection** [2] 138/1 consent [14] 4/23 30/21 30/23 32/20 32/22 61/14 61/16 61/16 61/17 75/11 126/15 126/23 129/14 142/15 consented [2] 61/9 142/13 consequences [1] consider [5] 71/23 83/5 83/7 114/4 115/23 consideration [1] 59/2 considered [3] 72/5 82/24 142/18 consolidated [3] 111/17 112/3 138/16 constitutes [1] 48/8 contact [1] 130/21 **contacted [2]** 66/8 130/14 contain [2] 24/8 147/5 context [8] 7/14 69/16 69/17 70/7 93/12 124/10 127/13 130/11 continue [2] 76/7 85/9 continued [2] 93/9 129/20 **continuing [1]** 103/8 contract [37] 6/24 9/17 11/14 14/8 14/12 14/19 15/10 15/22 33/19 34/6 37/17 37/20 38/18 39/13 45/6 48/1 56/21 57/7 57/17 58/5 58/10 60/16 60/20 67/10 67/10 68/4 69/14 69/24 71/12 71/23 72/5 72/16 94/3 136/22 137/16 139/15 143/11 contracted [3] 49/8 118/5 136/10 contracted-for [1]

Case 24-500/136/815/715/14 15/21 4 deals [3] 14/8 14/20/24 C $^{101/1}_{103}, ^{102/9}_{103}, ^{103/7}_{104}, ^{103/7}_{10$ 34/4 115/17 115/19 116/17 118/3 118/24 controls [1] 142/2 17/12 18/6 19/4 19/7 dealt [1] 132/23 110/5 110/6 112/20 137/12 copies [1] 4/11 19/8 20/1 20/14 20/16 **DEBRA [2]** 147/2 114/2 114/2 114/2 **Deloitte [8]** 53/2 53/17 copy [1] 4/8 34/5 34/7 34/8 34/12 114/5 116/15 116/20 55/6 55/9 56/2 117/3 147/14 core [1] 87/21 34/20 36/10 36/12 37/7 debt [25] 48/5 49/4 119/12 121/14 121/24 117/4 117/10 corner [1] 117/2 116/2 116/5 116/9 49/17 51/1 51/19 61/10 122/6 123/2 128/12 demands [1] 76/16 Corp [2] 78/21 122/12 116/10 118/2 118/24 61/12 61/13 61/14 136/23 137/3 144/16 denied [2] 51/20 93/4 Corporation [1] 4/15 cured [21] 8/14 14/10 73/24 74/14 75/3 92/3 144/16 145/1 145/5 deny [3] 11/22 105/17 correct [11] 21/23 16/13 17/6 18/16 18/16 94/10 113/22 115/11 Default' [1] 14/1 114/9 46/21 64/21 79/23 82/3 19/9 20/9 20/9 34/1 124/12 126/11 126/19 default.' [1] 52/14 denying [2] 88/2 82/7 89/1 91/17 137/18 34/9 34/15 34/16 35/11 130/24 135/15 136/10 122/17 defaulted [1] 52/12 139/23 147/6 35/20 35/21 36/19 141/16 141/20 142/14 defaults [61] 8/15 9/3 department [1] 22/6 cost [2] 111/7 120/4 37/12 115/17 116/18 9/4 9/14 9/15 9/18 13/5 depends [1] 83/20 **debts [1]** 74/16 **costs [1]** 129/8 118/17 **December [5]** 11/9 13/6 13/9 14/5 14/7 deposed [1] 117/6 coterminous [1] 41/19 cut [1] 95/2 18/7 18/8 110/19 14/10 14/11 14/18 deposition [13] 21/2 counterclaims [1] cuts [1] 118/23 112/24 14/24 15/1 15/11 15/19 21/7 21/15 22/20 26/8 **CZESCHIN [22]** 2/2 **December 1st [1]** 18/7 15/21 16/8 16/13 17/2 52/22 56/6 57/4 117/10 **countered** [1] 130/4 3/20 74/22 75/9 78/10 **December 31 [1]** 11/9 17/6 18/4 18/15 19/3 122/2 131/14 140/12 counterfactual [1] 19/9 19/15 20/8 20/16 82/9 86/15 90/1 94/20 **decide [6]** 7/24 18/9 140/15 108/9 96/2 98/16 99/8 99/19 77/4 83/15 84/9 84/24 34/15 35/10 35/20 depositions [2] 24/3 couple [2] 29/6 133/6 101/5 110/14 113/24 36/10 36/18 37/11 47/3 decided [3] 69/2 77/8 25/14 course [6] 71/24 73/16 114/6 121/18 127/19 85/15 47/8 47/10 48/4 48/23 deriving [1] 81/24 109/3 132/2 138/6 133/4 143/13 144/5 decides [5] 5/21 77/12 49/3 49/20 50/1 56/11 described [1] 125/6 141/8 85/5 85/10 91/24 59/22 72/17 77/13 87/6 Czeschin's [1] 53/8 **describing [1]** 109/15 Court's [2] 87/14 88/1 decision [5] 24/10 92/4 94/19 95/20 95/21 design [1] 54/18 courtroom [1] 3/22 25/12 114/10 145/3 102/12 102/14 102/14 designated [1] 32/4 courts [12] 7/19 62/20 damage [2] 117/16 114/19 121/21 129/5 145/6 **despite** [2] 92/16 63/7 63/13 64/2 78/19 127/7 129/5 136/22 decision-makers [2] 101/16 79/17 79/17 92/15 damaged [1] 124/6 24/10 25/12 defeat [1] 119/21 detail [3] 8/21 57/3 92/22 93/13 95/9 damages [5] 87/7 decisions [4] 22/17 defendant [3] 17/16 75/2 covenant [2] 44/14 93/15 94/5 94/5 144/22 22/18 23/13 86/13 detailed [4] 107/19 70/8 122/20 87/9 data [1] 111/6 110/15 111/11 113/5 declaration [2] 98/2 defendants [14] 1/7 covenants [2] 51/3 date [32] 12/14 12/17 2/13 3/6 5/12 5/14 8/3 129/17 determination [1] 55/22 17/4 18/17 20/6 20/10 declarations [5] 23/24 8/12 33/4 52/12 56/16 144/3 covered [2] 78/16 32/17 33/23 34/8 34/17 24/2 24/4 24/7 142/17 59/8 73/6 107/11 139/5 determine [4] 31/17 102/4 35/12 36/20 40/4 40/6 declined [2] 87/15 defense [3] 140/8 72/11 72/12 83/13 covering [1] 87/1 40/12 41/6 44/4 45/17 114/4 140/19 144/21 determined [2] 90/9 created [1] 74/2 45/19 60/19 62/24 declining [1] 26/22 defenses [7] 97/1 143/15 credibility [1] 55/12 98/18 101/13 101/21 deed [2] 12/6 128/20 102/15 122/14 122/15 **determines** [1] 77/15 credible [2] 136/24 101/24 103/3 103/5 deem [1] 118/2 137/4 137/9 140/3 determining [1] 81/4 137/5 103/6 103/20 103/24 deemed [9] 18/16 20/9 deferred [1] 88/18 development [1] credit [65] 5/5 6/12 7/3 104/2 147/9 34/1 34/9 34/16 35/20 define [2] 15/20 47/2 114/18 8/5 8/11 9/1 9/2 9/13 dated [3] 9/9 13/17 defined [4] 14/23 27/14 did [40] 5/16 10/10 115/17 116/18 118/17 9/13 9/22 10/1 11/1 19/1 default [120] 5/4 5/15 62/15 122/7 12/19 21/20 22/10 12/7 12/9 13/2 13/11 dates [1] 131/9 8/1 8/13 8/13 8/15 9/20 definition [9] 8/24 9/2 28/11 28/18 28/22 13/12 13/16 18/4 20/12 **DAVID [2]** 2/11 3/9 10/7 10/8 12/2 12/3 95/16 96/1 102/11 44/16 52/22 57/8 66/12 21/10 21/16 27/15 28/8 day [13] 16/7 16/9 34/5 13/22 13/23 14/8 14/12 102/13 102/16 103/20 66/13 69/3 100/14 33/8 33/20 34/3 36/8 41/3 44/2 55/4 55/5 14/15 14/20 15/6 15/11 121/16 101/5 105/1 106/13 37/21 50/22 54/16 55/5 55/13 96/15 106/18 107/14 108/11 15/13 15/13 15/15 **DELAWARE [20]** 1/1 55/22 56/1 59/5 60/5 125/22 141/1 147/11 108/13 108/14 108/23 15/16 15/23 16/1 16/16 1/12 1/23 4/15 5/23 62/24 64/10 64/12 days [11] 10/4 11/10 16/17 17/10 17/14 61/2 63/23 63/23 64/2 109/10 110/21 114/12 65/24 67/1 67/2 67/5 13/7 16/6 32/11 40/6 17/22 18/14 20/18 65/2 69/12 69/21 77/2 115/23 116/7 120/13 69/20 74/15 77/21 40/10 43/17 45/13 27/23 29/15 29/16 78/19 78/20 84/8 89/5 122/21 126/6 127/19 77/22 83/19 83/21 84/2 110/20 113/1 29/20 31/10 32/20 134/15 147/4 147/9 132/7 133/9 137/24 87/5 89/24 90/10 90/21 de [2] 52/8 142/1 33/21 34/11 46/17 delay [4] 89/9 117/16 138/12 139/8 139/10 97/10 97/20 98/9 de minimis [1] 52/8 47/16 48/9 48/10 48/14 117/17 117/19 143/17 104/24 107/14 108/6 de-risk [1] 142/1 50/5 50/10 50/13 50/21 didn't [72] 10/15 11/15 delayed [5] 30/17 115/9 115/12 115/13 dead [2] 46/15 98/18 51/19 52/9 52/11 52/13 31/21 53/4 54/3 55/3 11/20 11/23 12/20 116/8 124/12 124/19 deadline [4] 44/12 52/13 58/15 58/17 59/9 deliver [8] 9/20 10/21 17/12 24/4 25/19 25/20 creditor [3] 51/24 72/2 45/14 46/13 140/24 72/3 72/6 74/3 74/5 17/9 19/14 96/19 27/1 28/17 29/4 29/9 deal [12] 33/18 74/1 74/19 74/20 81/5 82/21 116/17 116/22 118/4 31/17 33/7 34/11 38/19 **creepy [1]** 143/3 74/18 76/5 77/6 124/13 83/14 84/2 84/13 84/17 **deliverable [3]** 115/16 43/12 43/18 46/19 51/1 crystal [4] 64/2 64/5 124/14 125/9 125/16 85/1 85/6 92/1 93/8 115/18 115/24 53/12 57/2 60/19 61/22 64/5 64/6 125/24 131/1 143/24 93/8 93/15 93/16 93/17 61/23 73/15 75/9 91/1 deliverables [1] 116/15 crystal-clear [1] 64/5 dealers [2] 74/16 93/21 95/1 95/12 95/14 delivered [4] 29/16 96/13 102/15 105/14 crystalline [1] 64/1 126/11 95/17 95/17 96/2 96/5 106/1 109/22 110/14 29/20 38/22 38/22 cure [37] 9/5 9/5 13/4 dealing [3] 52/15 87/10 96/6 96/8 96/11 96/22 delivers [1] 30/15 112/10 112/18 112/19 13/7 13/8 14/13 14/13 132/10 97/7 99/6 99/13 99/21 delivery [9] 27/24 34/1 112/19 113/9 113/12

D C250 24 1	disqualify [6] 28(6, 4	56/22,56/23,5741,57/,5	earth [1] 69/8 of 410	8/23 10/6 48/22 58/21
didn't [31] 115/2	disqualify [6] 28/6 28/16 28/190c 42	58/23 69 7 4 69 1 5 9 / 24	EBITOA (1) 410	60/6 68/2 115/23
117/23 119/24 121/4	127/1 133/10	70/13 71/11 73/9 73/13	economic [5] 33/12	116/13 122/20 122/23
121/19 121/20 122/23	disqualifying [1] 87/17	79/17 82/23 83/3 83/10	56/16 56/19 56/21 58/3	131/8
123/17 125/11 126/15	distinction [3] 100/13	83/18 92/11 93/22 96/6	economy [1] 86/19	entertain [1] 114/4
126/16 127/16 131/11	104/11 143/11	97/1 98/15 98/19 99/5	education [2] 6/8	entire [6] 17/24 28/12
131/12 133/3 135/1	distinguishable [1]	103/1 104/13 108/8	73/20	51/19 77/14 129/7
137/19 138/2 138/15	84/15	112/2 112/11 118/18	effect [7] 37/12 54/23	144/24
138/16 138/21 139/3	distinguishes [1]	119/5 119/9 119/19	102/22 102/23 103/13	entities [3] 21/12 74/15
139/24 140/12 140/18	15/10	121/14 123/2 123/3	105/23 121/11	76/22
141/17 141/18 143/22	distress [2] 61/10	123/5 123/7 126/19	effective [5] 4/21 36/19	entitle [3] 8/16 8/17
144/1 144/8 144/20	74/10	127/8 127/9 128/1	66/13 101/24 103/6	48/23
difference [2] 38/16	distressed [13] 73/24	130/21 131/23 132/2	effectively [3] 9/4 49/8	entitled [20] 5/5 5/16
143/7	74/14 74/16 75/3	132/6 135/2 135/15	59/13	11/24 16/15 16/18 17/8
different [11] 15/4	124/12 124/18 124/21	136/14 136/23 137/4	effects [1] 29/17	17/8 17/13 18/13 19/18
21/11 27/18 45/5 48/19	125/3 125/7 126/11	137/4 139/22 142/6	effort [1] 140/18	20/18 48/14 55/23
48/24 64/8 70/16	127/1 127/2 130/24	143/1 143/19	efforts [31] 38/3 38/13	75/13 96/4 96/11 96/24
114/16 115/5 119/16	division [2] 92/7 93/1	done [6] 94/8 122/1	38/15 38/16 38/20 41/8	128/2 128/3 137/2
differently [1] 71/2	doctrine [10] 7/9 48/3	127/7 135/10 140/2	43/11 44/14 44/16	entitlement [1] 95/1
direct [2] 27/19 30/1	52/8 59/18 60/2 94/23	141/6	44/21 44/24 98/13 99/3	entitles [3] 19/11 19/12
director [37] 4/19 4/19	95/3 105/3 106/10	DONNELLY [2] 147/3	99/5 99/15 100/12	96/19
22/16 23/16 25/15	107/17	147/14	100/16 100/19 100/22	entity [18] 6/2 17/19
30/23 32/4 64/20 65/1	doctrines [1] 7/15	double [1] 28/24	101/16 101/17 101/22	23/5 24/20 32/8 38/6
65/8 65/12 65/18 65/19	documents [14] 11/13	double-check [1]	102/8 104/1 104/4	38/7 40/2 67/18 70/14
66/4 66/7 66/19 66/22	21/5 22/22 23/18 24/16	28/24	104/9 104/12 104/15	70/18 70/20 100/21
67/5 67/18 67/23 67/24	24/23 25/11 25/17	doubt [1] 39/3	104/20 106/15 109/18	107/24 108/21 115/2
68/1 68/8 68/15 69/10	25/20 29/24 30/3 30/13	down [19] 12/2 12/24	eight [4] 8/10 27/12	135/9 135/11
70/23 71/4 71/8 72/4	31/6 63/17	13/13 14/3 19/1 20/6	28/12 57/9	entry [1] 88/5
83/15 90/5 90/18 91/9	does [30] 7/5 13/3	22/24 35/18 50/4 53/20	either [8] 11/18 39/22	enumerated [1] 42/3
127/15 131/8 131/11	22/22 24/8 30/11 37/14	53/24 63/9 99/8 120/9	41/19 52/1 90/20 96/7	equitable [4] 33/9 48/3
131/15	43/12 46/1 52/11 62/10	130/5 138/19 139/1	96/14 123/20	51/21 92/10
director's [1] 65/1	62/22 72/20 84/9 91/6	141/19 141/21	elapsed [1] 139/7	equity [3] 36/10 48/6
directors [7] 55/7	92/3 93/17 100/3	Draconian [1] 129/12	element [1] 51/22	52/2
70/15 70/16 90/14	102/17 102/18 102/24	draft [2] 105/24 106/4	ELIZABETH [2] 2/5	especially [4] 25/4
90/17 132/5 132/7	103/2 103/4 103/5	drafted [1] 24/6	3/17	68/7 136/15 143/8
disagree [1] 105/20	104/7 108/8 114/8	draftsmen [1] 143/8	else [7] 42/10 42/12	ESQ [8] 2/2 2/2 2/4 2/6
disallowed [1] 23/21	119/10 120/4 131/17	Dragons [1] 92/22	80/16 109/2 119/15	2/9 2/10 2/11 2/11
disallowing [1] 25/8	132/24	drawn [1] 143/11	122/2 141/16	essentially [3] 13/3
disavowed [1] 21/5	doesn't [50] 16/1 22/23		elsewhere [1] 81/22	23/5 24/19
disclose [1] 130/16	33/16 37/4 39/11 41/10	125/10	email [3] 89/1 89/2	estopped [2] 58/16
discontinuation [1]	41/14 43/7 45/1 45/2	drop [1] 98/18	130/17	122/5
105/21		drop-dead [1] 98/18	emphasize [1] 97/12	estoppel [5] 7/9 122/8
discourse [1] 90/1	60/2 60/21 64/8 71/17	dry [1] 123/1	end [14] 10/4 11/11 11/11 15/7 20/20 32/10	122/9 122/13 122/17
discovers [1] 32/6	71/19 71/19 76/11 77/4 83/22 89/17 94/23 96/7	due [10] 11/10 28/2 32/10 32/13 77/2 97/7	56/7 78/9 110/20 113/1	et [2] 111/8 138/5 even [41] 8/5 10/16
discovery [1] 140/10	96/15 98/19 100/8	110/20 110/21 112/24	117/12 128/17 131/4	22/15 28/12 37/13
discuss [1] 76/9	100/9 104/12 105/16	113/2	133/7	44/24 49/13 49/13 50/1
discussed [1] 80/14	106/10 115/9 116/19	duress [19] 29/12	ended [6] 9/24 11/9	51/4 52/3 54/15 56/18
discussing [1] 27/12	118/15 118/20 119/17	33/11 33/12 56/17	54/2 54/7 54/11 76/13	56/22 60/3 64/22 65/13
discussion [2] 70/4	119/18 121/10 126/2	56/19 56/22 57/3 57/5	ending [1] 110/19	69/19 72/10 73/9 73/13
99/18	127/13 127/16 131/15	57/6 57/10 57/10 57/17	enforce [6] 12/16	74/14 76/7 77/11 77/15
discussions [2] 31/22	131/16 131/16 131/18	57/21 57/24 58/3 58/6	84/18 84/20 84/22 88/3	88/11 91/23 93/5 93/12
31/23	134/13 136/22 137/3	58/8 58/11 59/6	137/21	95/8 98/20 105/1
dismiss [7] 85/18	doing [13] 65/18 68/13	during [10] 6/12 11/4	enforced [2] 33/4	107/13 108/5 108/8
85/18 85/24 88/12	69/9 106/23 107/3	26/4 28/11 29/8 31/16	78/23	113/10 123/21 125/9
88/17 88/21 143/16	120/6 121/15 123/12	85/7 133/10 133/14	enforced' [1] 52/5	126/3 129/11 144/16
dispute [12] 10/11	126/1 126/20 138/18	133/17	enforcement [11]	evening [1] 4/12
10/13 10/19 11/17	140/21 145/3		51/20 52/2 63/7 74/9	event [21] 14/14 15/13
63/13 80/19 86/14	dollar [1] 97/16	<u>E</u>	78/24 80/24 90/8 95/23	15/15 16/17 29/18 32/3
87/22 110/22 139/2	dollars [5] 32/7 75/15	each [13] 13/24 30/11	114/9 121/24 140/4	52/24 59/24 76/17
139/12 144/24	98/3 129/1 129/23	32/6 78/1 79/15 79/22	engage [1] 50/1	89/18 103/7 103/9
disputed [1] 12/23	dominated [1] 74/13	80/7 80/10 81/12 90/22	engaged [1] 114/13	104/17 112/14 113/4
disputes [2] 135/7	don't [82] 7/12 7/13 8/5	109/4 126/16 129/14	engaging [1] 18/2	126/2 137/2 137/6
143/10 disqualification [9]	8/14 9/15 10/17 10/19	earlier [14] 20/17 34/14	enough [7] 92/5	137/11 137/14 144/24
28/8 29/3 29/7 29/10	12/22 14/13 15/11 21/6	40/9 40/9 41/1 43/16	110/17 115/1 124/2	events [19] 5/4 5/15
61/23 74/17 125/12	23/18 28/23 29/1 32/15	43/18 43/21 45/12 47/2	144/9 144/9 144/13	8/1 8/12 8/13 8/15
132/23 133/16	33/11 39/14 39/23 41/9	58/13 60/7 124/15	enter [3] 16/9 18/10	13/21 13/23 13/24 14/8
disqualified [1] 28/11	43/22 45/2 49/18 50/13	133/12	75/7	14/11 14/20 15/23
3.040000 [1] 20/11	50/18 50/24 53/7 56/18	early [1] 32/12	entered [13] 8/4 8/10	17/22 59/19 72/6 73/16

expectations [1] 146/5 111/24 114/19 115/14 expectited [2] 92/19 4 115/24 116/14 16/14 financials [29] 9/22 10/1996/14 10/17 410 Ε Case 24events... [2] 74/3 93/20 93/5 118/4 118/6 119/10 10/23 11/2 11/3 11/10 eventually [1] 27/11 expenses [1] 111/7 119/11 119/13 119/22 11/13 26/21 26/24 27/1 everybody [5] 102/1 expert [4] 98/1 105/9 27/2 55/1 55/2 55/15 failures [1] 93/2 105/13 115/3 122/24 fair [1] 87/10 55/23 56/13 109/6 105/16 105/20 122/24 experts [1] 59/11 faith [9] 87/10 87/11 110/19 112/11 112/24 everybody's [2] 76/3 **expire** [1] 17/3 107/17 125/14 125/16 120/10 121/20 128/15 108/1 expired [8] 10/5 15/14 128/23 129/18 129/21 138/13 138/14 142/3 everyone [1] 23/4 16/7 16/13 17/4 19/8 138/6 142/4 everyone's [1] 73/17 20/2 115/20 fall [2] 83/22 84/11 financing [1] 59/3 everything [5] 11/21 find [8] 57/18 77/16 **expires [2]** 16/2 18/8 family [1] 111/7 11/24 106/23 109/2 explain [5] 28/5 39/21 91/24 112/8 112/15 far [1] 68/6 144/3 74/23 76/23 99/9 fashioned [1] 73/14 112/22 113/12 127/1 everywhere [1] 84/21 fast [7] 40/4 40/12 41/6 finding [3] 70/4 79/4 **explained** [3] 26/12 evidence [6] 53/9 61/8 105/9 126/12 45/14 45/17 45/19 82/20 108/13 120/8 140/12 **explicitly [1]** 105/22 73/21 finds [2] 51/12 128/12 140/15 exploit [2] 51/24 114/8 fearing [1] 75/5 fine [6] 85/10 89/19 ex [1] 127/10 96/24 103/24 123/3 **exploitive [2]** 51/23 featured [1] 114/1 exact [1] 102/24 114/13 February [1] 18/20 137/23 exactly [12] 7/14 15/9 February 10 [1] 18/20 Finger [2] 2/3 3/20 explored [1] 25/11 16/6 46/20 58/18 61/4 **expressly [6]** 15/22 finish [1] 56/10 fee [3] 129/13 129/14 82/9 90/3 120/18 127/3 30/7 48/7 48/9 89/7 137/24 firm [6] 24/14 25/1 53/2 136/4 144/6 fees [7] 75/10 75/12 55/24 56/2 117/11 126/22 examines [1] 72/8 extended [4] 13/4 13/8 75/12 107/1 128/1 fiscal [7] 9/23 10/4 example [5] 34/5 87/14 18/6 26/2 131/4 138/4 11/8 139/7 139/9 92/18 119/16 120/14 139/10 139/11 extends [1] 9/5 feet [1] 101/1 exceeds [1] 98/3 felt [1] 64/15 five [8] 40/6 40/9 43/17 extension [8] 59/1 exception [8] 33/9 43/5 88/19 88/20 88/23 few [5] 41/1 56/11 60/7 45/12 53/21 112/16 63/19 81/20 134/12 88/24 89/4 103/22 74/14 74/20 112/17 128/14 134/17 134/18 142/19 103/23 fiction [1] 104/12 five-year [1] 53/21 **exceptions** [1] 143/9 **extensions** [3] 57/22 **fiduciary [1]** 69/3 fixed [1] 124/22 **exchanging** [1] 145/13 58/1 58/22 fifth [1] 101/15 flavor [2] 106/21 130/9 **excluded [1]** 106/2 extent [4] 23/23 25/10 fight [2] 75/6 126/8 flip [1] 11/5 exclusive [20] 62/10 63/14 64/7 figure [8] 25/3 25/6 flow [5] 26/18 26/19 63/8 63/24 64/3 76/24 **extorted [1]** 106/24 42/19 65/4 68/12 69/6 26/21 111/10 113/7 77/19 78/3 78/17 79/16 extortionate [1] 76/15 135/22 135/23 focus [8] 5/14 5/18 79/19 80/1 80/10 80/19 extra [1] 48/2 figured [2] 73/12 73/13 9/10 38/10 61/17 78/7 81/10 81/16 81/18 file [6] 31/18 31/24 80/17 136/21 extra-contractual [1] 82/10 84/3 90/11 90/23 48/2 61/1 69/21 88/20 135/1 focuses [2] 124/18 exclusively [4] 79/6 filed [10] 29/5 29/6 124/21 81/6 81/7 122/4 57/11 61/24 86/24 focusing [2] 103/19 excuse [2] 59/8 94/19 face [1] 60/2 88/15 88/16 135/3 133/22 **excused [1]** 105/5 facility [2] 6/21 7/16 135/3 135/4 fold [1] 121/7 **executed [2]** 122/13 fact [27] 7/6 7/15 10/18 filing [3] 31/21 32/3 follow [2] 45/18 88/16 126/15 14/6 30/4 30/19 45/6 124/21 following [6] 13/24 **executes** [1] 32/20 50/10 52/12 55/3 62/23 filings [1] 124/23 20/5 20/10 35/12 36/19 executing [2] 4/22 31/6 63/5 65/7 67/10 82/1 fills [2] 30/14 30/14 103/13 **exercise** [16] 5/6 8/3 89/3 89/15 91/3 102/14 finally [4] 22/14 33/13 footfault [1] 140/24 8/17 27/19 29/4 29/9 103/1 109/19 114/6 58/4 64/9 foothold [1] 7/7 31/8 58/5 58/9 58/10 120/8 120/11 123/10 finance [2] 22/6 22/12 footnotes [1] 8/6 61/22 69/21 91/12 123/17 140/1 financial [58] 6/18 10/3 forbear [2] 16/19 18/18 125/12 125/23 133/16 facto [1] 127/11 21/19 21/21 22/2 22/3 **forbearance** [12] 18/7 exercised [4] 5/8 126/3 factors [1] 93/13 22/8 22/11 26/9 26/15 18/8 18/24 36/19 58/24 130/15 133/17 facts [4] 7/24 10/13 27/4 27/7 34/4 37/8 75/12 96/12 102/16 exercising [3] 66/3 12/19 61/8 49/15 51/2 51/10 51/13 133/14 141/4 141/4 87/17 90/18 factual [2] 32/24 57/20 52/21 52/23 53/3 53/22 141/5 exerting [2] 70/19 fail [1] 39/10 54/1 54/9 74/9 109/11 forbearances [3] 57/22 76/13 failed [7] 11/3 12/5 110/6 110/14 110/15 58/2 58/23 Exhibit [2] 120/16 12/12 31/24 37/10 111/1 111/12 111/13 forced [1] 75/7 120/21 123/9 139/17 112/17 112/21 113/17 foreclosed [1] 123/13 Exhibit JX 157 [1] failing [2] 49/14 52/21 114/24 115/1 115/16 foreclosure [1] 114/17 120/16 fails [2] 37/3 48/16 116/15 117/12 117/13 foregoing [2] 103/12 Exhibit JX 172 [1] failure [33] 9/20 10/21 118/4 119/11 119/14 147/5 120/21 33/22 39/3 41/24 42/22 120/1 120/1 120/3 foresee [1] 106/5 exhibits [2] 24/9 24/12 43/24 44/8 44/16 46/8 121/4 123/14 130/14 foreseeable [6] 60/4 exist [2] 33/7 36/8 47/3 47/10 47/14 51/9 60/5 67/12 67/13 136/8 136/11 138/12 **existing [1]** 4/23 51/12 56/14 59/23 93/3 139/6 139/9 140/17 105/18 106/6 exit [1] 129/13 99/12 99/20 108/11 foreshadow [1] 107/16 55/13 101/2 123/10 141/12 144/4

143/14 101/20 72/6 145/5 31/12 98/15 107/6 145/2 82/19 74/14

forever [2] 125/20 **forfeit [1]** 117/19 forfeiting [1] 77/14 forfeiture [3] 92/9 92/15 94/12 forfeitures [1] 94/12 forget [1] 35/4 forgotten [1] 50/16 **form [1]** 30/13 formed [1] 23/9 former [1] 65/23 forth [2] 24/15 140/14 forthcoming [1] forum [24] 62/7 62/8 62/9 62/10 63/22 63/24 64/12 66/14 67/8 68/3

68/5 69/8 69/13 69/20 71/18 77/3 78/22 89/1 89/5 89/6 90/21 100/15 133/24 134/8 forum also [1] 63/22

forward [1] 47/21 found [4] 66/5 67/23 founder [2] 25/16

four [7] 21/10 21/11 34/23 35/3 36/23 101/15 122/16 Foursome [1] 122/12

fourth [2] 36/18 144/8 frankly [3] 48/15 56/23

fraud [2] 51/23 79/2 friction [1] 70/4 Friday [1] 1/13 front [2] 35/5 40/15 full [2] 10/22 130/1 fundamental [3] 81/3

fundamentally [1]

funding [1] 75/23 **funds [3]** 28/15 74/14

further [8] 18/15 54/4 72/20 76/13 88/4 130/1 130/6 144/2

future [4] 36/8 93/17 118/3 126/24

gains [1] 32/5 game [1] 50/13 gave [8] 58/22 59/2 59/3 112/3 113/5 113/10 138/14 139/13 **GDC [1]** 92/23 **General [1]** 4/15 **germane** [1] 130/10 gets [4] 14/2 29/16 29/20 138/20 getting [9] 26/15 26/20 27/2 27/5 121/8 132/20 135/12 141/12 141/14

given [5] 13/6 53/10

Case 24-5001540/2341/241/5 1/22 89/11 hold [1] 52/16 holde [1] 23/6 of 410 G important [28] 6/23 7/17 8/23 13/9 34/21 gives [6] 81/22 89/11 having [6] 3/6 45/7 42/14 42/17 44/3 44/8 holder [4] 120/15 34/22 35/15 36/21 106/20 118/19 127/14 44/9 45/3 46/8 47/12 75/6 100/18 131/20 124/15 125/2 126/19 40/18 41/2 52/23 55/15 130/9 47/15 51/4 56/15 59/23 56/12 56/15 69/1 84/5 144/2 holders [1] 27/18 giving [4] 13/8 139/13 94/15 97/13 98/2 98/10 Hawk [2] 71/24 136/5 holding [4] 27/15 84/6 89/11 115/21 144/11 144/12 he's [36] 25/8 25/16 101/20 102/2 102/4 121/7 125/1 136/5 116/22 117/21 120/12 glanced [1] 21/13 130/11 135/12 135/21 105/12 108/11 108/21 64/10 64/11 64/12 Holdings [1] 72/1 **GLAS [65]** 1/2 2/8 4/16 135/21 135/22 136/3 123/11 137/20 64/19 64/22 64/23 65/5 **holds [1]** 50/19 5/6 5/7 5/16 8/17 15/15 guarantees [7] 40/16 65/6 65/7 65/10 65/11 impossibility [9] 33/13 **HON [1]** 1/15 16/15 17/13 18/18 59/9 59/17 59/18 60/2 40/18 40/20 97/14 65/11 65/12 65/16 Hong [1] 130/20 19/18 20/17 21/18 Honor's [4] 4/3 25/22 65/17 65/22 65/22 60/12 105/4 106/9 97/17 103/14 106/8 27/19 27/22 28/10 guarantor [24] 9/24 66/21 68/13 68/18 123/13 87/13 133/20 29/20 30/3 30/7 30/11 11/9 12/7 12/12 20/5 68/18 68/21 69/2 69/4 impossible [4] 59/13 hope [1] 123/21 30/16 30/19 31/5 32/19 70/6 71/4 90/17 90/19 36/4 37/23 38/2 40/3 hoping [1] 143/24 105/6 105/11 105/17 58/8 62/16 62/22 63/3 43/11 47/12 59/14 90/20 90/24 91/4 91/10 horrible [1] 140/21 improperly [1] 87/6 63/11 63/19 63/19 64/6 76/22 87/17 97/10 117/6 131/13 horse [1] 46/15 in [406] 66/2 66/13 71/15 71/16 97/21 98/12 105/16 head [1] 7/13 Houlihan [2] 26/10 **inability [1]** 97/8 72/19 79/13 79/22 107/24 115/3 115/4 hear [5] 23/23 66/10 140/16 inapplicable [1] 33/10 79/24 80/5 80/8 80/15 126/6 129/16 133/9 77/16 109/14 121/3 human [4] 67/17 68/11 inappropriateness [1] 80/21 81/14 82/15 89/3 heard [10] 25/7 74/21 **Guarantor's [2]** 87/20 69/7 70/13 89/5 91/2 96/5 107/20 INC [3] 1/6 1/6 78/21 101/18 76/19 76/20 77/1 86/20 hundreds [1] 87/7 121/22 134/5 134/9 guarantors [2] 32/16 86/23 88/17 121/18 hurt [1] 75/17 include [5] 11/15 34/23 134/10 134/13 134/17 108/15 134/3 35/15 87/15 102/11 134/21 134/21 135/22 hearing [3] 86/2 guess [3] 53/1 66/18 includes [1] 17/20 137/11 137/15 139/6 I'd [2] 28/23 142/11 137/13 143/18 147/7 including [8] 51/12 139/9 139/10 guy [4] 68/18 69/2 69/4 I'II [10] 78/8 91/17 59/22 77/8 80/8 80/8 hearsay [4] 24/2 117/5 GLAS's [2] 8/2 91/7 92/23 110/2 111/23 97/15 101/16 129/24 69/18 142/17 142/19 global [1] 107/23 122/11 133/6 142/7 guys [2] 32/16 137/19 income [2] 113/5 heavily [4] 33/13 33/15 goes [10] 16/14 25/9 142/22 146/4 34/10 114/1 124/22 30/11 30/14 32/18 34/8 **I'm [44]** 7/21 19/11 held [7] 5/20 49/21 inconsequential [2] 37/18 68/7 128/20 ha [1] 145/4 62/3 69/12 86/17 87/3 22/5 25/6 28/24 41/21 92/9 140/7 131/22 habit [1] 22/22 42/18 44/13 46/4 49/10 87/13 incorrect [1] 133/24 **Goldstein [1]** 122/2 Hammelburger [1] helpful [2] 39/8 145/22 53/6 65/4 67/14 68/8 increase [1] 129/24 gone [2] 34/20 130/9 68/17 68/24 69/5 69/6 122/12 helping [1] 3/23 increased [3] 120/22 good [16] 2/19 3/2 3/4 hand [1] 108/3 helps [1] 98/21 69/16 70/21 71/8 73/13 121/1 121/6 3/13 3/18 3/19 4/1 73/4 handle [1] 23/13 84/8 84/19 85/23 90/1 **HENRY [3]** 2/2 3/22 increases [1] 130/2 87/9 107/17 125/14 hands [8] 33/14 33/16 91/13 93/22 101/9 incredibly [1] 56/20 67/21 125/16 128/20 128/23 60/24 61/1 62/1 107/17 here's [1] 9/8 101/10 102/23 103/16 incumbent [2] 65/7 129/18 129/20 128/14 147/11 hereby [5] 16/24 19/24 103/18 103/19 104/3 87/20 good-faith [1] 129/18 36/6 78/2 147/4 happened [14] 4/22 110/5 110/10 110/17 indeed [3] 48/13 48/14 got [14] 40/19 52/16 111/21 129/6 133/2 10/9 15/20 33/1 43/4 hereto [2] 17/1 78/1 76/5 72/16 73/10 78/10 46/18 52/24 55/13 60/1 141/15 141/18 145/22 hereunto [1] 147/10 independent [6] 64/13 99/19 113/17 128/3 73/23 127/10 127/12 I've [5] 25/7 33/11 hey [5] 32/15 58/23 69/4 89/23 131/8 132/5 128/7 142/1 142/8 127/18 129/6 73/10 86/12 142/8 71/8 112/19 144/18 132/7 144/4 144/6 144/7 happening [2] 29/9 idea [2] 50/1 137/1 **HG [1]** 124/24 India [23] 12/4 37/22 gotcha [2] 107/3 107/4 61/22 high [1] 56/21 identified [1] 60/22 37/23 38/6 38/7 44/11 gotten [2] 54/12 happens [6] 41/11 identify [1] 28/10 highest [1] 92/14 45/24 46/1 46/17 47/11 108/17 41/11 56/8 76/8 98/19 **highlight** [1] 138/8 ignore [3] 8/3 33/6 59/9 59/11 59/14 97/23 governed [2] 9/4 77/23 102/6 34/13 **highlights** [2] 6/23 100/6 100/8 100/10 governmental [2] 38/6 happy [5] 31/15 90/1 ii [3] 17/6 20/3 35/9 100/24 101/19 102/1 7/15 145/22 145/24 146/2 highly [2] 48/20 113/5 illegally [1] 130/16 102/4 105/10 107/7 governs [1] 108/8 hard [8] 40/4 40/12 hijacked [1] 130/23 imagine [1] 52/20 Indian [3] 6/13 38/7 grab [1] 7/21 41/6 45/14 45/17 45/19 **him [18]** 17/18 21/3 immediate [3] 54/23 107/23 grace [1] 32/11 52/20 75/5 21/3 21/12 22/3 22/7 129/12 130/5 indicated [1] 147/9 grade [1] 93/21 hard-ball [1] 75/5 immediately [2] 28/2 22/17 66/8 66/13 66/14 **indicates** [1] 118/3 grant [3] 76/18 106/11 hardball [4] 106/21 67/11 69/24 90/18 91/2 112/18 **indication** [1] 106/4 106/11 108/24 109/15 124/10 91/3 131/21 131/21 immense [1] 124/6 **indicative** [1] 33/14 granted [1] 77/11 harder [1] 75/22 immobilized [1] 89/12 134/3 indicators [1] 113/16 grew [1] 124/15 harm [1] 136/7 impact [1] 54/18 himself [4] 4/24 30/24 indirect [2] 6/4 23/8 **GRIGSBY [2]** 2/11 3/10 harmonize [2] 79/20 131/6 131/14 impacted [2] 123/15 individual [4] 65/6 group [4] 73/23 74/12 81/8 Hirsch [1] 92/13 123/16 65/10 71/8 71/10 113/15 125/5 harms [1] 112/2 his [21] 21/2 23/24 impair [1] 108/14 **information [41]** 9/23 grown [1] 73/21 harsh,' [1] 52/5 impaired [1] 93/16 52/22 55/11 56/6 57/4 11/15 21/21 21/23 27/6 growth [1] 73/22 hasn't [1] 37/6 64/19 65/5 65/10 65/14 impairing [2] 120/12 33/23 34/2 34/5 34/9 guarantee [44] 12/6 hat [1] 15/1 67/4 67/15 69/21 71/10 136/16 34/12 37/9 49/15 54/12 12/20 12/21 12/22 haven't [14] 10/15 37/7 **impairment [2]** 117/18 90/7 98/1 117/9 131/14 110/15 110/15 110/16 37/22 38/1 38/8 38/21 37/9 37/10 54/12 54/15 123/20 133/5 134/1 134/2 111/2 111/13 111/17 39/5 39/10 39/13 40/2 56/4 85/17 85/18 85/23 implied [1] 87/9 112/3 112/9 112/18 history [2] 110/3 129/4

Case 24-50127 5127 20 42 47/19 53/5 62/9 63/2 information... [19] involved [4] 26/11 82/9 98/6 98/23 101/7 113/18 113/21 115/1 65/24 69/19 95/10 103/19 105/9 105/20 115/1 119/11 123/17 107/20 109/15 110/24 **IP [2]** 107/23 107/23 126/13 130/16 136/11 irrevocable [1] 30/18 112/22 113/12 113/14 136/14 136/16 138/14 irrevocably [5] 30/3 113/15 120/16 120/21 138/15 139/9 139/11 36/6 78/2 79/15 80/9 121/1 127/22 129/22 141/12 141/17 144/5 is [397] 130/4 130/19 137/16 isn't [16] 44/1 48/5 **JX 105 [2]** 103/19 Ingres [1] 78/21 58/6 71/4 76/1 80/4 109/15 initially [2] 26/19 JX 145 [1] 112/22 82/15 82/24 83/20 126/10 89/16 89/23 101/1 JX 150 [1] 113/12 initio [1] 49/24 116/9 135/12 136/19 **JX 151 [1]** 113/14 **Inn [1]** 122/12 140/23 **JX 152 [1]** 113/15 install [1] 87/19 issue [18] 31/7 43/19 **JX 166 [1]** 107/20 instances [1] 49/16 48/8 48/13 59/10 86/23 JX 18 [1] 82/9 instances,' [1] 51/22 90/9 94/15 109/13 **JX 19 [1]** 137/16 instead [4] 5/14 98/11 119/16 126/7 131/5 JX 202 [2] 129/22 111/15 141/7 132/9 132/23 135/16 130/4 institutions [2] 6/18 143/21 144/15 145/14 **JX 21 [3]** 77/22 78/1 130/14 issued [1] 55/6 98/23 insubstantial [1] 52/8 issues [7] 5/3 26/17 **JX 219 [1]** 121/1 **insufficient [1]** 111/15 77/7 110/16 117/4 **JX 273 [1]** 130/19 intend [4] 53/11 86/3 130/11 135/20 **JX 287 [1]** 127/22 108/3 124/8 itself [12] 7/3 21/10 **JX 317 [3]** 98/6 105/9 intended [2] 14/9 36/4 37/3 44/17 46/3 105/20 136/18 50/22 55/19 78/3 80/1 **JX 59 [1]** 110/24 intent [1] 134/20 99/21 143/12 JX number [1] 101/7 intentionally [1] 47/18 interact [1] 102/18 interest [18] 32/9 January [2] 18/10 19/1 **Kasowitz [3]** 2/12 3/10 32/12 32/18 76/2 76/3 January 6 [1] 19/1 73/5 92/16 93/18 106/22 keep [2] 11/5 131/21 January 6th [1] 18/10 120/22 127/7 127/20 keeps [1] 123/1 Joab [1] 122/19 127/24 128/5 128/8 **Joe [1]** 3/5 kept [5] 108/24 120/11 128/9 128/11 129/24 join [1] 100/21 120/16 121/5 121/12 130/1 joined [1] 145/14 **key [9]** 5/3 5/18 7/23 intermediate [1] 46/2 JOSEPH [1] 2/9 33/2 62/2 63/18 81/4 internal [2] 87/22 judgment [7] 84/17 113/15 114/20 142/2 84/19 84/20 84/23 kick [1] 48/18 internally [1] 142/3 kind [11] 19/6 32/24 92/20 93/6 122/21 interpretation [4] judgments [1] 84/22 42/7 45/20 80/24 98/18 79/18 82/15 99/9 99/11 106/20 109/3 119/8 judicial [1] 86/19 Interrogatory [1] 88/3 **JULIANNE [2]** 147/2 124/10 130/8 interrupt [1] 53/7 147/14 kinds [1] 129/8 **intervene** [2] 48/6 **July [1]** 88/19 King [2] 1/12 1/22 92/15 jump [2] 13/18 46/5 knew [6] 97/19 105/14 intervening [3] 59/19 June [7] 11/9 32/12 106/10 115/3 143/2 59/24 105/7 53/1 53/16 53/17 88/1 146/8 introducing [1] 53/9 88/15 **knowable [1]** 60/13 introductions [1] 3/8 knowledge [1] 69/24 June 30th [1] 11/9 invalid [5] 58/18 77/17 known [1] 60/14 jurisdiction [23] 62/20 77/18 79/2 92/2 63/8 63/13 64/3 76/24 Kong [1] 130/20 inverts [1] 128/22 77/12 77/20 78/3 78/17 **KORPUS [4]** 2/10 3/9 invest [1] 130/21 79/16 80/1 80/10 80/19 53/7 73/5 invested [1] 6/18 81/10 81/16 81/19 investigation [1] 88/4 82/10 84/3 90/11 90/23 investing [2] 125/3 91/24 143/5 145/4 **LABADIA [2]** 147/2 125/7 jurisdictions [1] 63/16 147/14 investment [5] 65/23 lack [5] 26/15 46/3 Justice [4] 1/11 1/22 71/24 73/18 124/17 46/7 109/11 113/19 92/22 93/1 136/18 lacks [2] 55/12 63/22 justifies [2] 74/23 investments [1] landlord [2] 48/16 93/14 124/22 justify [5] 93/13 93/22 48/17 investors [10] 6/20 landlord-tenant [1] 108/9 121/10 123/6 6/20 7/1 7/6 52/23 **JX [40]** 9/1 9/7 13/14 48/16 73/24 75/6 124/13 language [28] 9/8 13/3 13/18 13/19 16/21 130/21 130/24 14/1 14/4 14/19 16/20 18/22 35/4 45/16 47/6

49/22 51/2 51/4 60/9 62/10 62/21 64/1 82/10 | lender's [2] 29/11 95/13 95/18 96/3 102/24 134/8 134/16 large [4] 6/18 56/2 117/11 125/2 largest [3] 6/8 120/15 125/1 last [14] 4/12 23/2 53/1 56/10 62/6 79/7 82/1 83/23 103/11 103/18 138/17 138/18 138/21 138/23 latched [1] 74/20 late [3] 20/14 20/14 118/24 later [20] 10/17 44/6 49/19 58/16 58/17 66/1 102/10 103/13 109/7 109/13 110/3 112/7 112/16 116/4 120/23 127/12 127/18 132/24 133/11 135/3 later-filed [1] 135/3 latest [1] 40/11 Laundries [1] 122/19 **LAUREN [2]** 2/4 3/14 law [40] 4/15 5/23 7/8 24/14 25/1 33/10 36/9 49/4 49/7 49/23 51/9 51/17 52/1 56/20 57/7 58/4 58/9 59/11 60/11 63/14 63/23 63/23 67/9 74/24 77/13 77/23 84/5 84/5 84/9 92/2 93/7 94/11 94/12 96/10 104/7 105/4 108/10 117/20 134/15 143/6 lawsuit [3] 31/18 31/22 61/5 lawsuits [1] 144/15 lawyer [2] 61/7 140/20 lawyers [1] 6/10 lays [1] 101/1 **Layton [2]** 2/3 3/20 leading [1] 73/19 leaks [1] 124/5 Learn [31] 6/2 12/5 12/11 17/19 22/2 22/4 22/19 23/3 23/9 23/16 23/17 24/9 24/12 24/17 24/21 25/9 25/11 25/16 25/17 25/18 30/2 32/15 41/1 53/19 97/16 98/12 100/8 108/16 111/9 113/19 139/6 **Learn's [1]** 55/7 least [2] 28/16 49/16 leaves [2] 55/10 79/18 legal [8] 5/18 33/2 56/18 59/17 60/12 61/4 62/3 138/4 legitimate [3] 26/5 27/9 125/4 27/9 lender [20] 28/10 58/1 58/2 61/6 61/12 61/15 61/17 61/18 62/17 69/2 | **lists [1]** 125/3

71/15 75/4 78/13 92/3 93/14 133/10 140/11 141/1 141/11 142/13 93/16 lenders [83] 12/14 12/15 15/16 16/19 17/7 18/2 18/5 18/13 18/18 19/10 19/12 20/11 21/18 26/5 26/10 26/13 26/14 27/4 27/4 27/10 27/14 27/15 28/6 28/13 28/16 28/17 31/15 35/22 36/20 40/15 40/22 41/4 44/2 44/19 52/24 55/23 57/21 58/22 61/10 61/11 61/13 66/2 74/12 75/11 75/18 75/21 75/24 76/4 80/8 81/15 85/13 85/14 87/11 91/11 96/19 106/20 108/12 109/1 112/15 113/3 114/13 120/6 120/11 121/15 122/18 122/18 124/5 125/15 126/10 126/16 127/1 127/2 129/6 130/4 135/22 136/9 137/22 138/1 139/21 140/21 141/22 143/22 143/23 Leonard [2] 1/11 1/22 less [3] 32/7 93/18 108/23 lesser [1] 141/8 let [6] 42/19 77/19 110/13 110/23 110/24 146/4 let's [21] 13/11 16/5 18/21 35/16 35/24 36/1 38/10 44/15 49/1 50/3 63/5 72/23 80/17 80/23 94/14 101/4 101/14 107/22 108/7 108/10 114/15 letter [6] 32/14 52/17 53/16 87/14 117/4 117/7 level [3] 115/10 131/17 131/24 leverage [5] 74/5 110/4 121/10 125/22 130/22 lieu [1] 92/20 likely [4] 60/14 76/7 93/18 108/23 **limitation [1]** 81/20 limitation -- the [1] 81/20 limited [7] 53/20 75/8 81/21 82/2 101/17 102/18 103/3 **Lindor [1]** 92/13 line [1] 49/23 **LinkedIn [2]** 124/16 **Linklaters [3]** 2/7 3/16 25/1 listed [1] 9/20

Case 24-530/18/35/641/13/48/16 mean [16] 21/3/24/1/24 literally [1] 23/18 83/3 86/4 89/8 91/4 litigated [1] 88/8 93/3 93/9 93/17 93/21 litigation [9] 29/5 29/6 93/24 94/21 98/16 57/11 59/7 61/24 75/6 100/10 108/23 110/13 75/21 76/1 124/5 111/14 122/8 131/18 little [9] 18/19 64/16 134/12 135/2 140/18 73/13 107/17 119/19 142/6 142/12 144/3 120/6 121/19 134/24 145/6 makers [2] 24/10 25/12 live [1] 138/2 makes [5] 27/3 85/14 living [1] 69/7 86/20 100/14 100/22 **LLC [2]** 1/2 2/8 making [5] 23/12 33/19 LLP [4] 2/5 2/7 2/9 89/9 107/18 136/17 2/12 manage [1] 99/5 loan [51] 6/16 6/16 mandatory [4] 39/6 6/19 6/23 7/1 7/16 41/18 42/5 42/23 12/12 16/18 17/6 17/10 manner [3] 20/23 58/2 17/14 17/20 19/14 23/6 137/22 23/10 23/13 27/17 March [14] 9/24 27/21 29/17 31/10 32/10 34/1 37/6 53/22 54/2 54/8 36/5 36/9 37/5 37/13 54/8 54/11 110/21 38/8 47/4 62/14 62/19 112/6 120/24 131/9 75/1 78/12 87/6 92/20 138/13 139/5 93/10 100/11 102/3 March 31 [6] 9/24 104/19 114/20 115/15 53/22 54/2 54/8 54/8 116/11 123/7 124/3 54/11 129/8 129/13 129/13 March 3rd [2] 27/21 136/2 141/1 141/7 37/6 144/10 144/13 144/17 market [3] 126/19 loans [10] 27/16 28/1 132/5 132/6 37/4 39/7 41/19 42/5 marketing [1] 111/7 42/24 61/10 119/2 markets [1] 124/22 127/24 marks [1] 129/7 logic [1] 84/10 master [5] 61/16 61/16 Lokey [2] 26/10 140/16 126/15 126/23 142/15 long [6] 20/15 38/14 material [12] 50/15 53/4 54/2 105/7 135/5 51/10 51/13 52/19 longer [6] 20/16 26/24 52/20 55/3 55/21 56/11 27/5 34/20 88/10 112/4 113/20 116/1 105/15 118/7 looked [6] 14/2 19/3 materiality [2] 50/14 34/14 35/9 47/1 137/17 116/19 looking [4] 15/4 68/22 math [1] 113/3 79/11 101/10 matter [20] 13/5 21/2 lose [1] 125/22 55/15 58/9 60/21 71/18 losing [2] 75/5 136/19 74/24 76/7 77/5 80/18 loss [4] 94/4 108/12 82/11 83/12 84/4 85/10 120/3 120/8 86/19 86/20 89/17 lost [3] 19/10 36/12 105/3 126/3 142/18 37/18 matters [5] 71/14 lot [14] 23/17 24/15 82/13 85/11 85/12 24/23 25/5 27/17 31/3 86/22 40/16 75/20 81/21 matured [1] 8/15 85/12 86/11 113/17 matures [2] 14/14 135/16 136/21 15/13 lots [2] 72/7 144/4 **MAX [2]** 2/11 3/9 may [17] 31/23 32/10 36/8 51/19 62/17 63/14 magnitude [1] 38/8 67/10 78/13 82/1 87/14 main [2] 76/18 88/9 92/9 92/15 97/4 106/11 maintenance [6] 38/2 119/19 130/10 131/10 39/5 41/17 42/3 42/8 May 3rd [1] 31/23 42/14 maybe [9] 26/18 55/5 major [2] 114/22 70/3 73/9 75/24 91/6 114/23 109/18 125/2 143/5 majority [1] 51/22 McWane [3] 85/18

make [34] 5/12 21/2

135/1 135/2

43/18 45/2 65/22 67/20 80/5 96/7 96/15 102/21 126/14 136/23 137/3 meaning [2] 25/10 80/13 meaningless [1] 79/19 means [10] 6/17 20/13 141/7 23/19 27/15 34/10 40/10 42/8 64/8 94/23 135/7 measure [1] 64/4 measuring [1] 52/9 mechanical [6] 5/9 122/14 5/13 31/1 31/4 100/3 104/8 mechanics [1] 90/20 mechanism [1] 61/4 meet [2] 56/22 56/24 member [2] 124/24 143/16 125/5 members [2] 111/6 111/6 memorializes [1] 89/2 memory [1] 86/10 85/24 mention [3] 29/2 109/10 112/8 mentioned [7] 8/7 11/20 15/24 47/17 129/17 75/22 121/12 124/15 mere [1] 45/6 merger [1] 72/12 merit [1] 63/22 merits [1] 29/12 middle [3] 19/7 35/19 53/23 might [7] 23/23 58/5 60/17 68/8 118/16 135/10 135/18 million [16] 32/7 32/12 41/1 75/11 88/5 120/20 120/22 121/2 124/16 125/3 128/1 130/5 130/6 135/17 135/19 136/1 millions [4] 75/15 87/7 129/1 129/23 minimis [1] 52/8 minimum [2] 42/12 131/7 minor [2] 49/13 74/3 minute [4] 72/23 76/10 84/7 95/11 55/11 minutes [1] 133/7 misconduct [1] 87/5 misconstrue [1] 33/7 misreading [1] 79/6 miss [1] 34/7 missed [2] 12/17 140/24 modifications [1] 54/7 moment [1] 49/2 money [2] 6/10 32/15 53/8 month [8] 18/19 53/17 54/14 117/13 123/22 129/14 131/7 138/20 months [32] 10/16 27/12 28/12 29/6 41/1

128/18 131/7 131/11 133/18 135/3 137/21 137/23 138/3 138/16 139/8 141/3 141/3 **MORGAN [1]** 1/15 morning [8] 3/1 3/2 3/4 3/13 3/18 3/19 4/1 73/4 **Morris [2]** 2/5 3/14 mortgage [2] 114/17 mortgagor [1] 122/12 most [4] 48/15 61/18 69/15 74/3 motion [7] 88/2 88/11 88/17 88/20 93/2 93/3 move [7] 28/4 42/20 91/17 104/21 107/22 110/6 127/16 moved [3] 85/17 85/18 moving [2] 15/1 29/14 Mr [7] 32/22 52/22 55/10 57/2 58/6 65/5 Mr. [74] 4/18 4/19 4/22 4/24 20/22 21/1 21/9 21/16 21/23 22/14 22/21 23/15 24/5 25/7 25/14 25/15 26/9 26/23 30/21 30/22 30/22 30/24 31/11 31/11 31/19 32/3 32/23 53/8 53/9 55/11 64/10 64/17 66/6 68/11 68/17 69/7 70/5 70/13 70/22 74/22 75/9 78/10 82/9 85/8 86/3 86/15 89/1 89/19 89/22 90/1 90/4 94/20 96/2 98/16 99/8 99/19 101/5 110/14 113/24 114/6 117/9 121/18 126/5 127/10 127/15 127/19 131/4 131/6 133/4 140/16 141/23 142/17 143/13 144/5 Mr. Ashby [1] 89/1 **Mr. Byju [2]** 31/11 Mr. Cicero [1] 86/3 Mr. Czeschin [20] 74/22 75/9 78/10 82/9 86/15 90/1 94/20 96/2 98/16 99/8 99/19 101/5 110/14 113/24 114/6 121/18 127/19 133/4 143/13 144/5 Mr. Czeschin's [1] Mr. Pohl [26] 4/19 4/22 52/6 69/14 30/22 30/22 31/19 32/3 negotiating [8] 24/24 32/23 53/9 64/10 64/17 31/16 122/24 125/14 66/6 68/11 68/17 69/7 125/16 128/21 141/8 70/5 70/13 70/22 85/8

89/19 89/22 90/4 126/5 127/10 127/15 131/4 109/13 112/7 112/16 131/6 112/17 120/23 128/14 Mr. Ravindran [13] 4/18 4/24 21/9 21/16 22/14 22/21 24/5 25/7 25/14 25/15 30/21 30/24 117/9 Mr. Riju [6] 20/22 21/1 21/23 23/15 31/11 142/17 Mr. Spencer [3] 26/23 140/16 141/23 Mr. Stephen [1] 26/9 **Ms. [1]** 67/21 Ms. Henry [1] 67/21 MTZ [1] 1/5 much [10] 24/18 34/20 70/1 121/5 121/18 132/15 142/20 145/10 146/6 146/8 Mullin [1] 3/17 MULLIN, ESQ [1] 2/5 multibillion [1] 97/16 multibillion-dollar [1] 97/16 multiple [1] 97/24 must [4] 40/2 57/17 75/4 126/22 must -- the [1] 126/22 my [19] 3/9 3/15 3/16 3/22 7/13 7/21 19/10 25/19 42/21 53/12 64/10 99/11 99/18 103/24 117/22 118/9 118/10 141/16 141/20 myself [1] 110/24 name [1] 30/9 Natixis [8] 51/14 95/8 95/11 113/23 114/3 114/15 114/17 114/19 nature [3] 6/22 52/11 94/22 **NDA [1]** 130/17 **NEAL [2]** 2/4 3/14 **nearly [1]** 28/1 necessary [3] 30/4 90/24 91/5 need [14] 50/13 66/4 73/9 73/15 77/4 91/1 97/22 98/3 98/4 98/5 120/5 135/20 143/20 144/3 negative [5] 97/9 108/20 108/21 115/2 124/4 negatively [1] 123/15 negotiate [10] 8/9 18/1 18/3 31/15 59/4 76/4 110/1 123/4 129/20 negotiated [7] 26/4 40/4 40/13 41/4 47/18

36/11347/6 \$02/17 **No. 3**171 16/5 16/6 C 42 35/5 49/10 49/17 63/15 89/15 1144/22 124 Ν Case 24negotiating... [1] 16/10 16/11 16/22 17/5 number 2 [1] 31/3 143/24 19/5 numbered [1] 147/5 negotiation [7] 6/12 No. 7 [11] 18/11 18/24 **numbers** [5] 56/3 28/12 66/9 76/14 34/14 34/14 34/18 138/22 139/13 139/14 109/24 110/3 129/3 34/23 35/1 35/4 35/8 139/17 negotiations [13] 26/1 37/14 132/24 26/11 27/13 31/14 **No. 8 [1]** 45/16 31/19 40/14 45/15 Nobody's [1] 100/9 object [2] 24/1 127/17 87/11 116/4 125/19 objecting [1] 24/7 nominal [1] 70/8 130/8 133/11 141/3 objection [2] 85/7 **none [15]** 12/23 18/15 neither [1] 89/3 142/17 20/7 28/20 34/15 35/10 net [11] 60/10 97/9 objections [1] 53/8 35/17 35/19 36/18 98/4 105/14 105/15 **obligated [2]** 11/2 48/11 71/14 74/23 105/21 106/3 106/7 100/9 93/21 95/24 124/2 108/21 108/22 115/2 nonetheless [1] 16/19 obligation [19] 10/2 netted [1] 75/11 Nonmaterial [1] 9/16 12/16 39/12 42/16 never [17] 28/11 32/17 45/21 57/6 98/8 99/2 nonmonetary [2] 51/12 37/12 57/8 57/10 58/21 100/7 100/11 104/14 93/8 58/23 59/5 98/20 104/18 104/19 105/5 nonpayment [4] 93/8 102/13 102/14 105/22 111/21 111/21 123/11 119/16 127/6 127/14 106/3 121/22 122/15 137/21 138/2 nonperformance [1] 128/7 133/17 obligations [3] 59/20 105/5 new [92] 2/7 2/12 5/22 102/5 129/2 nonprofit [1] 73/20 6/20 6/24 7/6 7/7 7/19 obligor [1] 51/19 nor [1] 89/3 8/24 9/2 14/1 14/3 normal [2] 72/13 138/5 obtain [10] 39/3 42/1 32/20 33/10 48/3 49/3 42/22 98/10 99/12 North [2] 1/12 1/22 49/7 51/9 51/11 51/17 note [4] 21/2 92/18 99/14 100/19 101/18 56/20 57/7 57/15 58/4 105/2 106/8 93/6 142/16 59/12 59/20 60/8 60/8 **obtained [1]** 103/15 noted [3] 6/13 114/11 62/11 67/22 74/24 **obviously [4]** 56/14 139/19 76/20 77/13 77/23 78/4 64/17 71/3 145/14 notes [4] 52/7 73/8 79/16 79/17 81/6 81/7 111/11 113/8 occur [1] 14/1 83/13 84/4 84/9 84/18 nothing [9] 46/12 occurred [5] 8/2 10/7 84/23 84/23 85/5 85/10 62/13 67/3 78/11 80/13 13/6 32/3 103/7 85/12 85/15 85/21 112/20 122/22 135/10 occurring [1] 33/22 85/21 86/14 86/20 October [9] 8/24 9/10 141/21 86/24 87/24 88/8 88/10 notice [46] 13/6 15/16 12/17 12/21 44/7 88/14 88/24 89/5 89/20 16/16 17/10 17/14 103/13 103/23 108/19 90/9 91/17 92/2 92/6 18/14 19/14 19/19 129/4 92/14 92/19 93/2 93/12 October 12 [1] 9/10 19/19 20/18 27/22 94/11 94/12 96/9 104/6 October 12th [1] 8/24 27/23 28/9 29/7 29/15 105/4 105/11 105/13 29/15 29/20 31/9 32/19 October 8th [3] 12/17 105/22 108/4 108/10 12/21 44/7 37/5 74/8 74/8 92/1 114/19 117/20 124/8 odd [1] 66/16 92/1 96/5 96/6 96/8 126/8 131/22 134/23 96/11 96/19 96/23 97/1 **ODI [1]** 105/22 134/24 135/5 139/24 off [10] 7/13 46/5 56/3 97/2 115/15 121/23 143/14 144/23 145/1 75/7 75/24 95/3 109/3 126/7 128/18 137/2 145/5 118/15 118/23 130/19 137/8 137/9 137/10 news [1] 75/19 offered [1] 129/22 137/10 137/12 137/14 nice [1] 68/17 144/12 144/12 144/16 offering [1] 68/14 Nichols [2] 2/5 3/14 offers [2] 129/6 129/18 notices [1] 116/14 **NICOLE [2]** 2/2 3/22 office [4] 66/13 66/24 notwithstanding [4] nine [3] 138/16 138/20 71/6 134/2 20/4 63/10 115/19 139/8 officer [9] 22/1 22/2 126/23 nine-month [1] 138/20 22/4 22/8 22/11 22/15 November [10] 13/17 No. [31] 9/9 12/15 16/4 30/24 65/12 90/5 16/7 16/22 17/4 17/8 16/5 16/5 16/6 16/10 officers [1] 4/23 19/10 19/13 44/3 60/6 16/11 16/22 17/3 17/5 Official [3] 147/3 120/23 18/11 18/24 19/4 19/5 147/15 147/15 November 24 [3] 13/17 20/8 34/14 34/14 34/18 17/4 60/6 offsets [1] 122/14 34/23 35/1 35/4 35/8 November 24th [3] oh [5] 28/13 112/9 35/11 36/11 37/14 44/6 138/13 140/20 143/1 16/7 16/22 44/3 45/16 47/6 102/17 old [2] 6/20 73/14 November 25 [2] 17/8 132/24 old-fashioned [1] 19/13 No. 1 [2] 12/15 44/6 73/14 November 25th [1] No. 2 [10] 9/9 16/4 16/6 olding [1] 52/7 19/10 17/3 19/4 20/8 35/11 number [9] 29/16 31/3 omission [2] 60/11

92/17 omitted [1] 60/9f 410 on [230] once [6] 15/14 15/14 32/3 37/4 91/11 91/11 ones [3] 77/8 110/11 111/23 online [3] 60/8 73/19 p.m [1] 146/10 126/17 onshore [1] 12/6 onto [1] 74/20 openings [1] 145/16 opens [1] 91/7 operating [2] 40/23 76/11 operation [3] 83/21 95/3 131/16 **operations** [1] 89/15 opportunities [1] 124/19 opportunity [2] 59/2 59/4 opposed [1] 50/3 oppressed [1] 133/19 oppressing [1] 28/14 oppression [1] 29/8 oppressive [1] 61/21 order [17] 10/13 10/19 12/19 24/3 32/5 72/12 85/9 86/3 87/16 88/1 88/4 88/6 97/21 131/19 145/18 145/18 145/19 ordinary [2] 132/1 132/3 original [13] 9/6 33/8 37/21 50/19 50/22 51/5 60/5 61/13 61/15 83/16 115/12 115/12 142/13 originally [4] 6/17 44/2 44/3 75/13 others [1] 21/14 otherwise [15] 20/4 62/17 78/13 78/14 80/21 82/2 82/16 83/22 84/12 90/19 100/13 104/5 104/13 119/20 131/23 ought [1] 33/4 outcome [3] 38/17 104/11 107/15 outside [4] 53/1 55/7 55/19 93/12 outsider [2] 55/16 65/22 outstanding [2] 27/16 129/14 over [30] 6/21 8/4 8/8 11/5 12/15 18/19 27/12 30/20 50/12 50/13 53/10 53/17 54/24 56/4 57/23 75/1 77/12 98/2 121/7 124/1 124/14 124/16 125/2 125/10 126/6 131/9 137/11 137/15 138/20 141/2 Overall [1] 76/2 overdue [1] 54/16 overreaching [2] 51/23 114/13

overreaching.' [1] 79/3 own [4] 30/8 107/18 124/16 134/6 owned [4] 6/4 6/5 23/8 24/21

PA[1] 2/3 package [1] 73/6 pages [6] 21/7 98/6 107/21 111/1 111/11 147/5 paid [5] 127/20 128/8 131/4 131/10 131/13 pale [1] 129/19 paper [4] 25/4 53/11 73/10 143/18 paper' [1] 52/10 paragraph [16] 14/3 19/22 35/18 35/19 36/2 36/17 51/1 54/1 62/13 63/6 63/9 81/11 81/11 90/6 105/20 139/4 paragraph -- the [1] 81/11 **paragraphs** [1] 63/10 paralysis [1] 89/16 Pardon [1] 83/2 parent [21] 6/2 9/23 11/8 17/19 20/5 22/19 30/1 36/4 38/2 43/10 60/10 76/22 87/17 87/20 97/15 98/11 101/18 105/16 124/1 126/6 133/8 parent's [1] 129/16 parenthetical [1] 20/7 part [8] 22/5 47/2 51/24 83/4 101/18 114/7 125/21 132/1 participation [1] 61/9 particular [2] 49/14 68/2 particularly [4] 5/23 26/18 51/15 139/18 parties [78] 5/19 5/24 8/9 9/3 14/9 14/18 16/9 17/1 17/6 17/10 17/20 17/24 18/9 19/14 20/1 20/13 24/2 24/15 24/18 26/3 27/11 31/14 31/23 33/4 36/5 40/4 40/13 40/15 41/3 44/19 45/14 45/17 48/20 49/12 49/21 50/2 52/16 60/16 62/3 62/5 64/11 64/20 72/17 77/6 77/7 77/22 78/1 79/15 79/22 80/8 80/11 80/11 81/12 81/16 81/18 84/3 86/15 86/16 90/22 90/22 94/22 95/7 95/11 95/15 97/19 100/12 104/19 106/1 106/10 106/12 106/13 115/22 116/7 116/13 133/1 134/21 135/13 145/7 parties' [1] 52/3

person [3] \$20/5 71/6 42 133/23 141/24 2/29/24 140/14 BLS 00000 42 133/23 141/24 2/29/24 $^{41/15}_{\text{problem}}$ $^{214}_{\text{59}}$ $^{1/410}$ Ρ 110/24 111/13 112/23 Case 24-114/24 116/18 119/1 Partners [1] 67/23 possible [2] 44/20 85/4 120/10 139/6 personal [5] 65/14 75/16 107/18 112/7 party [15] 48/7 58/5 68/7 134/1 134/3 134/4 post [4] 32/3 127/10 115/3 provider [1] 73/19 62/19 64/10 64/18 65/8 personam [1] 64/23 problems [2] 59/15 provides [11] 13/4 145/19 145/21 78/24 86/21 90/10 post-filing [1] 32/3 108/1 15/6 48/10 61/4 71/5 petition [1] 71/7 90/10 91/1 91/5 94/3 petitioner [1] 70/7 post-trial [2] 145/19 procedure [3] 88/16 98/11 116/16 118/11 100/7 115/15 pick [1] 69/3 145/21 92/19 93/6 118/13 134/9 136/4 pass [1] 105/14 picked [1] 63/7 posted [1] 60/8 proceeding [16] 62/18 **providing [6]** 34/11 passed [2] 105/10 potential [2] 26/17 64/23 65/14 67/17 51/18 58/1 102/4 piece [1] 70/24 115/20 place [7] 59/20 74/1 130/21 69/10 70/12 70/23 77/9 111/16 112/9 past [2] 8/4 8/8 77/16 78/6 78/15 81/1 provision [30] 28/9 94/24 99/19 119/5 powder [1] 123/1 **PATRICK [2]** 2/6 3/16 34/3 34/19 35/2 37/17 power [9] 28/15 28/19 82/5 85/4 91/1 93/7 131/2 131/21 patsy [1] 69/4 proceedings [4] 63/12 37/19 38/24 63/24 64/5 plain [1] 134/8 28/21 29/1 30/7 30/15 pause [1] 20/24 plainly [3] 55/14 61/3 63/15 72/14 147/6 71/19 77/24 78/17 79/7 30/20 87/18 137/15 pay [15] 32/9 32/13 62/8 PowerPoint [7] 16/3 process [1] 74/7 84/21 85/4 87/16 92/21 32/16 32/16 75/24 plaintiff [5] 2/3 2/8 17/24 23/1 25/21 36/24 procure [5] 38/3 44/17 98/17 100/4 100/17 128/5 128/11 129/7 3/21 71/17 79/3 47/24 63/21 98/13 99/15 99/20 100/18 100/20 104/8 130/5 131/6 131/17 plaintiffs [10] 1/4 4/4 precondition [1] produce [2] 142/3 104/18 116/16 116/21 134/2 136/12 138/4 4/14 31/17 31/24 87/19 119/21 119/23 121/14 125/19 142/4 141/19 88/13 123/8 128/14 predated [1] 88/5 **productive** [2] 27/13 132/2 pay-down [1] 130/5 132/4 provisions [4] 63/3 predatory [2] 137/22 31/19 payable [1] 28/2 plaintiffs' [4] 87/15 140/23 professional [2] 27/4 73/7 78/20 129/16 paying [3] 106/22 88/2 88/9 140/4 prefer [1] 95/15 128/1 proxy [1] 30/19 108/24 121/12 prejudice [3] 38/1 profile [1] 124/16 Pte [2] 29/24 30/2 plan [1] 54/18 payment [12] 32/9 plane [1] 64/16 112/12 117/17 profit [3] 73/20 73/20 **public [4]** 53/16 75/6 32/13 32/18 48/17 117/7 126/13 **planned [1]** 145/13 premium [1] 130/6 111/8 74/10 74/19 74/20 93/3 play [6] 1/6 6/5 17/21 prepared [1] 21/6 profits [1] 128/6 **publicity [1]** 124/4 93/10 93/17 108/23 36/6 40/21 106/21 prohibit [1] 106/7 **pull [3]** 9/7 34/24 63/5 prepayment [4] 39/6 129/12 playing [1] 124/9 41/18 42/5 42/23 project [1] 114/21 purchase [3] 67/24 payments [1] 132/11 Please [1] 73/2 prerequisite [1] 45/24 promised [3] 117/11 68/3 72/10 payroll [1] 111/7 pledge [9] 29/19 30/5 present [1] 4/3 purchased [1] 40/24 141/13 141/15 Pegasus [2] 67/22 30/6 63/1 75/1 82/8 presentation [4] 3/24 promising [1] 122/20 purport [1] 29/7 115/6 90/19 92/4 137/7 53/8 53/12 83/4 prompt [1] 135/6 purported [1] 140/5 penalized [1] 126/1 **purportedly [1]** 53/10 pledged [3] 29/21 press [1] 124/5 promptly [3] 57/6 penalty [3] 92/10 29/22 30/8 pressure [4] 75/20 57/18 135/20 purpose [5] 23/9 117/20 130/5 plus [4] 127/24 127/24 75/22 76/14 124/6 proper [3] 62/7 96/17 119/21 135/6 135/9 pendency [1] 85/8 129/8 129/10 pretend [4] 33/7 44/15 144/19 135/11 penny [1] 129/15 POHL [34] 1/3 2/3 3/21 49/1 50/3 properly [3] 5/8 82/24 purposes [1] 30/5 people [1] 24/6 4/19 4/22 5/10 30/22 pretrial [6] 10/12 10/18 88/6 pursuant [2] 4/14 12/7 percent [11] 4/17 30/22 31/19 32/3 32/23 12/19 24/3 145/17 properties [1] 62/20 pursue [3] 64/14 108/4 27/16 27/19 29/22 98/4 property [4] 65/2 78/3 53/9 64/10 64/17 65/5 145/18 124/8 129/8 129/15 129/15 pretty [5] 24/5 24/18 push [3] 18/19 44/4 65/17 66/6 68/11 68/17 80/1 114/23 130/1 130/6 134/7 69/7 70/5 70/13 70/22 28/24 67/9 75/4 proposal [2] 107/20 44/7 perform [2] 54/19 85/8 89/3 89/19 89/22 prevent [3] 62/22 108/18 pushes [1] 109/19 122/21 90/4 126/5 127/10 92/15 94/20 **proposed** [3] 60/8 put [19] 14/6 14/18 **performance** [6] 26/17 127/15 131/4 131/6 87/16 106/4 35/23 36/13 36/23 **prevented** [1] 63/12 52/10 94/6 105/6 134/1 previous [5] 111/17 proposition [1] 114/2 59/10 59/20 66/4 66/7 113/16 138/23 point [46] 5/9 5/13 112/11 113/11 123/18 protect [1] 96/14 66/13 73/17 109/3 performed [1] 121/22 5/14 5/17 23/2 28/6 110/4 118/15 124/6 **proves [1]** 14/9 139/11 perhaps [5] 23/14 31/2 33/2 34/21 34/22 previously [1] 71/14 provide [41] 10/2 127/15 130/7 130/22 46/18 64/18 66/16 36/17 39/19 47/18 price [1] 120/9 10/10 10/14 11/2 11/3 131/23 129/11 47/21 50/20 50/21 **primarily [3]** 74/16 11/20 11/21 21/21 putting [3] 60/3 117/7 period [40] 9/5 9/5 51/15 52/18 56/17 57/4 124/18 124/22 26/24 33/22 34/9 37/10 127/10 10/5 13/4 13/8 14/13 57/23 64/9 89/16 91/19 40/16 49/15 50/24 51/9 **primary [1]** 13/17 14/14 15/6 15/8 15/14 51/13 52/21 97/13 91/23 92/12 94/1 94/21 principal [2] 27/24 15/21 16/2 16/7 16/12 **Q1 [3]** 112/22 113/13 97/12 100/17 100/17 102/2 110/21 111/22 93/18 17/2 17/13 17/24 18/6 113/13 103/24 109/16 116/6 principle [7] 5/18 5/21 111/24 112/10 113/9 18/8 19/4 19/8 19/8 quarter [11] 11/11 116/7 116/9 116/10 115/15 115/24 116/12 5/22 33/5 49/13 49/21 20/2 26/2 26/5 29/8 11/19 11/22 110/19 117/22 119/23 122/1 62/3116/14 118/6 119/10 31/17 32/11 34/6 34/7 110/20 111/16 113/1 125/6 126/5 127/5 principles [2] 51/21 119/11 119/13 119/22 44/22 53/21 109/19 137/5 142/7 142/11 92/10 123/17 123/21 135/6 138/17 138/18 139/10 116/2 118/5 133/10 138/21 139/4 139/8 pointed [1] 76/10 prior [15] 20/23 21/4 144/8 133/14 133/14 133/15 quarterly [8] 11/1 points [3] 96/3 130/1 38/4 39/4 39/10 39/16 139/10 138/20 11/10 27/2 37/9 110/18 42/1 43/6 54/8 98/14 provided [23] 4/11 138/7 periods [1] 11/12 10/16 11/14 21/17 120/17 128/15 142/3 poor [1] 46/15 99/13 99/16 101/19 permission [1] 4/3 quarters [5] 11/4 11/8 portion [2] 30/8 139/7 105/22 133/18 21/20 30/13 33/24 37/8 permit [1] 101/19 111/18 112/4 144/7 position [7] 45/4 49/2 **private [2]** 53/20 90/19 37/9 57/21 74/15 97/14 permits [1] 60/9 50/18 120/24 121/1 97/18 103/12 110/14 questions [7] 25/19 probably [2] 22/7

Q Case 24-	143/18 5001/3-BLS Doc 4:	regulations [7], 59/1/ 66/8 60/9 105/14/29/2
questions [6] 41/14		
47/21 72/21 91/18	38/13 38/15 38/20 41/8	105/13 105/24 106/4
132/14 132/21	43/11 44/14 44/16	regulatory [1] 97/22
quickly [2] 56/12 69/17	44/21 44/24 98/12 99/2	reinforced [1] 92/12
Quigley [1] 3/23	99/4 99/15 100/12	rejected [2] 108/2
quite [2] 44/13 46/5	100/16 100/19 100/21	130/3
quo [7] 32/5 85/9 86/3	101/17 101/22 102/7	related [12] 4/21 62/2
87/16 88/3 88/6 131/19	104/1 104/4 104/9	63/17 64/11 64/19 67
quote [1] 39/2	104/15 104/20 106/15	67/9 67/11 68/4 105/1
quotes [1] 27/3	109/18	134/12 136/2
	reasons [2] 76/18 79/2	relates [1] 93/2
R	receive [3] 119/24	relating [21] 62/18
rabbit [1] 14/24	120/2 120/2	63/12 78/7 78/15 80/2
raise [3] 33/10 33/12	received [3] 40/7 54/5 75/14	80/22 80/23 82/2 82/6
59/3		82/11 82/13 82/16 83/23 84/12 86/22
raised [4] 57/10 73/21	receiving [1] 121/4 recent [2] 75/19 124/20	
106/24 109/12	recently [3] 6/9 86/13	143/6 143/8 143/10
ran [1] 32/11	125/6	relationship [1] 76/5
rank [1] 117/5	recess [2] 72/23 72/24	relatively [1] 49/13
rare [1] 51/17	reckless [1] 124/10	releases [1] 117/9
rate [2] 129/24 130/1	recognition [1] 109/16	relevance [1] 69/6
rather [3] 103/14 112/4	recognize [4] 16/16	relevant [5] 23/22
141/6	126/4 130/10 144/6	68/18 70/24 77/9
Raveendran [2] 31/12	recognized [6] 7/20	126/20
55/11	30/18 49/20 55/24	reliance [1] 47/13
RAVINDRAN [27] 1/6	60/16 104/1	relied [3] 21/14 24/3
4/18 4/24 5/9 17/18 20/23 21/1 21/9 21/16	recognizes [8] 59/22	116/3
21/24 22/14 22/21	95/19 95/20 95/22	relief [3] 72/2 76/18
23/15 24/5 25/7 25/14	109/17 115/22 116/22	77/11
25/15 30/21 30/24	126/23	relies [2] 36/23 39/1
31/11 32/22 52/22	reconcile [1] 126/12	rely [16] 23/24 33/9
55/10 57/2 58/6 117/9	record [15] 24/8 24/24	33/13 33/20 34/10
129/17	25/4 26/8 47/17 57/20	37/19 37/24 38/9 38/
Ravindran's [1] 142/17	108/13 112/8 112/15	43/23 48/3 79/6 104/5
RBI [32] 38/3 38/5 39/4	121/22 140/13 142/14	127/11 127/17 140/20
40/6 40/10 42/1 42/22	143/19 143/21 145/23	relying [8] 22/12 33/55/17 100/2 111/24
43/17 43/19 43/20	records [2] 54/10 55/17	117/18 122/3 122/9
44/12 44/17 45/7 45/13	Redwood [8] 61/17	rem [7] 64/23 65/14
45/23 46/3 46/3 46/7	120/15 121/1 124/14	67/17 68/12 69/10
46/15 46/19 59/12	124/20 126/18 142/12	70/11 70/23
59/20 60/7 60/17 60/19	142/13	remain [1] 85/8
98/3 98/13 99/20 103/15 106/6 106/11	Redwood's [1] 140/11	remedied [10] 18/16
103/13 100/6 100/11	Reeder [1] 122/19	18/17 20/9 20/9 34/16
RBI's [1] 101/18	refer [2] 45/15 47/19	34/16 35/12 35/20
RCEs [1] 45/21	reference [2] 14/7	35/21 36/19
re [1] 93/19	35/10	remedies [10] 8/3 8/3
reach [2] 100/23 115/9	references [1] 11/8	15/18 19/20 27/20 31
read [11] 22/23 39/15	referred [6] 6/6 17/3	58/9 66/3 96/9 130/15
44/14 51/16 79/19 80/5	20/8 24/20 35/11 36/11	remedy [3] 89/11 94/
80/12 86/12 95/8 104/4	referring [8] 10/8 10/24	
109/18	39/16 50/20 50/22 51/7	remember [2] 27/17
readiness [1] 54/9	58/7 117/4	108/20
reading [7] 43/5 79/14	refers [8] 10/1 12/3	remembered [1] 146
81/9 100/15 104/5	12/9 19/2 19/4 38/5 41/7 62/15	reminded [1] 67/22 remove [4] 4/18 4/23
104/14 105/23	refinance [1] 75/24	5/9 66/3
reads [1] 81/10	reflected [1] 97/20	removed [2] 31/11
ready [3] 110/6 110/7	refuse [1] 52/2	32/22
128/11	refused [1] 114/3	removes [2] 30/21
real [1] 14/17	refusing [1] 126/4	30/23
reality [1] 128/22 realize [1] 133/3	regard [1] 70/22	rendered [1] 105/6
reason [12] 46/24	regardless [1] 70/19	repairs [1] 122/22
47/12 60/21 76/19	regards [3] 14/4 20/24	repayment [1] 123/1
77/10 84/4 92/2 104/24	58/13	repeated [1] 57/21
104/24 121/17 143/17	registered [1] 124/17	repeatedly [1] 8/1
	regulation [1] 106/6	replace [1] 72/4

22 reply [1] 133/4 report [4] 54/6 110/23 12 115/15 120/18 reported [1] 147/7 62/23 **Reporter [2]** 147/15 67/1 147/15)5/1 **REPORTERS [2]** 1/21 147/3 reporting [5] 26/15 51/3 51/10 51/13 30/20 115/18 32/6 reports [3] 110/10 115/8 123/14 represented [4] 6/11 1/15 24/13 24/22 48/21 repudiate [2] 57/7 6/5 57/17 reputable [1] 56/2 reputation [1] 66/5 request [3] 17/9 19/13 88/18 requests [1] 31/13 require [9] 39/6 41/18 42/5 42/23 84/13 84/17 4/3 84/17 105/1 107/14 required [12] 9/21 8 10/14 10/22 17/7 19/12 20/11 27/14 33/23 9/1 36/20 96/19 102/2 108/6 requirement [8] 37/22 38/10 38/2 39/6 41/18 42/4)4/5 42/9 42/13 42/15 0/20 requires [1] 45/5 33/15 requiring [1] 52/4 res [2] 68/9 68/14 research [1] 126/16 4 reserve [4] 38/6 97/22 105/10 114/22 resignation [2] 54/22 55/6 16 resigned [6] 53/2 53/3 1/16 55/2 55/7 55/9 55/9 resigns [1] 53/18 resisting [1] 78/24 8/18 resolution [8] 8/9 18/1 31/9 26/4 54/6 76/3 89/20 0/15 128/21 141/9 94/2 resolve [3] 8/20 88/12 135/7 17 resolved [3] 135/5 135/12 135/20 46/8 resolves [2] 18/4 18/5 2 respect [6] 5/13 19/15 /23 22/18 54/7 77/2 123/10 respectfully [1] 107/12 respects [1] 36/7 respond [1] 88/21 responded [1] 129/21 responsibility [2] 25/8 25/9 result [6] 32/8 54/17 3/16 87/8 93/15 115/14 117/16 results [2] 117/12 117/14

replaced [4] 517/10 replemening [1] 410

114/21

Resumed [1] 73/1 retail [1] 114/22 retain [1] 91/24 revenue [2] 111/7 113/14 revised [1] 18/3 revoke [1] 87/20 rewrite [1] 129/1 **Richards [2]** 2/3 3/20 ridiculous [2] 71/24 140/22 rights [17] 5/8 7/2 29/11 53/12 58/6 58/11 61/23 67/4 67/11 67/15 67/16 68/7 70/19 96/7 96/14 125/12 136/20 **RIJU [11]** 1/6 17/17 20/22 20/22 21/1 21/1 21/23 23/15 31/11 55/10 142/17 Riju's [2] 17/17 31/12 risk [12] 58/5 58/8 58/9 60/17 60/18 60/20 60/22 73/18 106/12 106/13 106/16 142/1 road [1] 50/4 role [2] 5/1 23/3 round [3] 25/5 145/13 145/15 rule [1] 60/4 rules [1] 105/22 run [1] 11/12 running [1] 82/14 safe [1] 146/6

said [57] 11/21 21/6 21/13 22/5 22/10 22/12 22/17 22/17 23/18 25/19 25/24 26/23 30/2 32/15 50/4 56/6 58/7 59/5 60/23 61/20 66/6 76/1 78/21 84/10 86/6 86/16 90/22 92/14 92/22 92/22 93/2 95/8 96/4 96/10 98/1 102/12 107/21 108/2 114/6 115/12 115/13 116/5 117/8 122/7 125/20 128/16 128/17 131/20 133/24 135/8 136/22 137/1 137/19 138/13 139/23 143/13 144/22 sake [1] 108/5 same [19] 20/23 32/21 35/6 36/17 54/3 55/4 55/5 55/9 55/13 62/24 63/18 82/10 92/12 94/2 107/7 108/17 120/18 122/16 134/18 sampling [1] 51/7 **satisfied** [1] 75/4 satisfy [1] 114/20 saw [4] 18/5 19/18 20/17 60/16 saying [25] 28/13 32/22 43/24 56/9 58/17

64/7 65/16 69/5 79/5

79/9 84/8 84/19 85/3

Case 24-598/13/82/972/277/21 31 94/4 **set [3]**=109/2038/12 2_{147/1}Filed 02/29/24 S 72/17 86/16 86/16 94/22 95/7 95/10 saying... [12] 94/1 95/14 98/11 101/23 sets [1] 105/20 23/5 23/17 24/1 24/5 sort [10] 23/12 45/23 95/19 99/23 100/20 103/6 115/13 118/2 seven [2] 57/8 121/7 25/7 26/3 26/12 30/18 49/24 50/3 64/24 66/16 103/23 104/3 106/14 68/19 70/8 70/21 118/3 135/6 136/4 seven-fold [1] 121/7 50/11 57/9 59/21 61/15 116/24 122/13 126/5 Section 1.11 [2] 62/24 63/18 64/17 sought [1] 72/2 seventh [1] 96/4 137/23 144/6 several [5] 4/11 31/16 64/18 66/1 67/2 70/15 source [1] 118/21 115/13 118/2 says [80] 7/13 9/12 Section 1.12 [1] 87/21 51/8 59/15 138/7 70/18 sources [1] 117/7 9/14 13/5 16/14 16/24 Section 10.9 [1] 77/21 shall [16] 14/1 33/23 significance [1] 25/10 speak [5] 28/19 28/22 17/7 19/7 19/24 20/3 34/1 39/4 41/16 42/1 **Section 2 [1]** 101/23 significant [6] 29/12 67/4 76/6 116/19 20/7 20/17 22/2 30/7 Section 225 [4] 88/7 42/4 42/22 62/14 63/11 32/2 38/16 54/18 **special [2]** 135/9 33/21 34/4 34/7 34/15 78/12 80/14 100/5 89/10 135/6 136/4 101/16 139/18 135/11 34/19 35/17 36/4 38/1 Section 3 [1] 103/6 signing [1] 22/22 100/10 102/1 103/12 specialties [1] 125/4 39/2 39/9 40/1 40/5 Section 5.17 [1] 98/11 shareholder [1] 91/10 **specific [4]** 33/18 signs [5] 24/6 25/17 41/16 42/4 43/6 43/15 securing [1] 114/22 shareholders [1] 91/11 30/23 38/8 56/2 34/19 42/16 94/5 45/12 47/8 48/22 49/7 security [11] 29/19 shares [5] 29/21 29/22 Silver [1] 125/6 specifically [4] 34/19 50/11 51/9 51/17 56/1 63/1 63/6 93/16 108/14 30/16 30/20 72/4 similar [6] 19/17 63/3 35/21 107/21 127/2 58/4 58/14 59/11 62/10 specified [46] 9/2 9/4 108/15 108/18 120/12 **sheet [3]** 111/9 113/6 72/1 72/7 115/16 136/5 62/13 63/9 64/6 71/20 121/11 123/16 137/7 129/22 simple [2] 143/14 9/14 9/15 9/16 10/8 78/11 79/9 79/14 81/12 seeing [1] 46/5 shell [1] 40/17 143/16 12/1 12/3 13/4 13/5 81/13 81/17 81/17 82/1 seeking [1] 65/12 13/8 14/5 14/7 14/24 **SHERON [4]** 2/10 3/9 simply [2] 17/22 48/5 82/5 86/18 89/2 90/6 15/19 16/8 16/13 17/2 seem [2] 71/21 121/5 53/7 73/5 simultaneous [1] 96/18 99/2 99/3 100/4 seemed [1] 23/4 Sherwood [2] 92/22 145/15 17/5 17/10 18/15 19/3 100/18 101/16 101/24 Singapore [2] 63/8 19/9 19/15 20/7 34/15 seems [1] 45/19 103/12 104/8 105/17 35/10 35/20 36/10 seen [3] 33/11 75/8 **short [1]** 86/10 82/11 119/1 119/14 124/17 77/20 **shortly [1]** 76/23 single [2] 74/10 97/17 36/18 47/3 47/8 47/10 128/2 132/1 134/13 seize [2] 92/3 94/10 should [25] 5/18 5/20 sit [1] 68/13 47/15 48/9 50/20 59/22 134/15 137/16 143/6 60/19 95/12 95/17 96/2 seizure [1] 77/17 48/6 49/21 58/16 62/3 sits [1] 64/24 143/9 144/11 145/19 102/12 102/13 121/13 selection [9] 62/8 68/13 76/17 76/19 situation [7] 48/12 scared [1] 75/7 64/13 68/5 69/9 69/13 76/20 77/1 77/11 77/16 48/20 48/24 49/19 123/2 136/22 schedule [1] 88/11 71/19 78/22 90/21 77/16 78/23 83/7 83/9 57/23 58/20 72/7 speech [1] 129/7 scheduling [1] 145/18 83/15 86/7 86/17 87/3 six [5] 44/7 137/21 134/9 speed [1] 89/16 scope [1] 88/6 self [1] 132/10 87/24 91/16 91/24 93/4 137/23 138/3 141/7 Spencer [4] 26/9 26/23 **scroll [1]** 13/15 shouldn't [4] 49/12 skip [3] 20/6 20/6 140/16 141/23 self-dealing [1] 132/10 **SDNY [3]** 80/2 80/6 send [9] 15/16 16/15 49/24 83/5 83/8 53/20 **spending [1]** 106/17 80/10 **show [8]** 24/12 35/2 skipped [1] 12/15 18/14 19/18 20/18 28/9 spent [1] 99/7 Sean [11] 3/23 9/7 11/6 29/7 130/17 137/2 40/14 45/6 61/8 78/24 spoke [1] 74/22 slide [9] 5/4 6/13 7/4 13/13 18/22 34/24 sending [1] 137/8 94/3 123/9 27/3 28/3 29/14 30/10 **spot [1]** 19/10 36/14 37/1 47/6 53/5 showed [2] 82/9 120/1 33/17 55/4 SPV [2] 132/7 135/8 sends [1] 27/22 73/13 sense [6] 31/18 85/15 showing [3] 111/14 slides [1] 4/9 **SQO [2]** 132/2 132/12 seat [10] 65/1 65/1 86/20 100/14 100/22 113/14 113/18 slightly [2] 15/4 45/5 **Square [1]** 114/18 66/4 68/9 68/13 68/15 131/18 **shown [6]** 74/9 117/16 **small [1]** 73/6 squeeze [1] 128/24 68/22 69/10 69/22 so-called [3] 74/5 sent [10] 31/9 32/14 117/17 117/18 123/15 squishier [1] 7/9 70/23 32/19 37/6 107/19 123/20 77/13 129/5 **squishy [1]** 7/15 seated [1] 73/3 127/20 127/22 127/22 **shows [6]** 45/16 47/18 sole [9] 4/18 4/19 **stability [1]** 136/11 **SEC [2]** 124/17 124/20 137/14 140/10 55/14 118/6 120/16 22/15 23/9 30/22 32/4 **stand [3]** 37/7 68/19 SEC-registered [1] sentence [10] 37/24 120/22 64/20 90/5 90/7 145/24 124/17 38/9 38/10 38/11 38/24 **shred [1]** 108/12 solely [2] 55/17 115/14 **stand-in [1]** 68/19 second [20] 5/7 5/13 54/5 79/21 80/14 82/1 **solution [1]** 107/19 side [23] 4/11 6/1 9/17 **standard [1]** 104/4 11/22 12/1 13/15 14/22 83/23 14/17 18/12 20/15 **standards [2]** 54/20 solve [1] 107/24 35/23 38/10 38/24 sentences [1] 81/9 23/23 24/13 25/1 25/15 **somebody [3]** 48/16 67/13 42/21 50/21 51/14 separate [1] 83/4 26/16 31/5 33/18 36/22 58/10 66/4 **Stanhope [3]** 93/19 53/24 77/10 78/8 94/24 **September [8]** 10/5 39/1 59/11 60/18 62/7 somehow [2] 58/18 108/11 120/7 104/23 109/9 125/1 10/15 56/7 113/2 66/11 71/3 92/18 69/19 start [5] 31/14 31/16 129/11 117/12 120/9 120/17 140/15 141/13 someone [5] 50/9 66/5 77/19 110/11 132/20 second-largest [1] 139/17 side's [1] 133/22 66/23 67/8 69/12 started [5] 50/3 74/7 125/1 75/17 85/3 107/1 September 27 [2] sides [3] 24/21 59/10 something [16] 7/19 secret [2] 75/18 124/23 **Starting [1]** 33/19 10/15 120/17 96/13 15/11 42/9 42/11 45/5 section [57] 1/18 4/14 48/14 49/16 60/1 60/13 | starts [3] 13/23 49/24 September 27th [1] sideshow [1] 76/13 9/10 9/12 9/21 10/22 10/5 sign [7] 12/11 22/10 61/15 64/8 66/10 71/11 77/24 12/7 13/1 13/2 13/2 series [2] 8/10 74/2 27/19 30/20 37/23 50/9 119/15 127/12 141/16 **STATE [3]** 1/1 147/4 13/10 13/12 14/7 14/19 serious [3] 92/5 98/7 147/8 50/12 son's [1] 142/23 14/22 15/22 16/23 124/7 **signatory [5]** 68/10 **SONDRA [2]** 2/11 3/9 stated [4] 87/18 88/4 20/12 30/6 31/3 33/20 serve [8] 96/5 96/6 69/10 70/14 70/15 soon [1] 44/20 105/22 124/20 33/21 34/6 34/18 35/14 96/11 96/24 97/10 70/17 sophisticated [22] **statement [8]** 111/10 35/16 36/1 36/22 37/2 97/21 126/7 131/11 signature [2] 17/17 5/19 5/19 5/24 24/14 111/10 113/6 113/6 37/3 37/14 37/20 38/20 113/7 119/23 120/19 served [1] 74/9 33/3 48/7 48/20 48/21 38/24 41/7 43/9 46/12 serving [2] 121/23 signed [32] 11/13 49/11 49/21 50/2 52/16 139/20 46/24 47/13 56/18 61/2 128/18 17/15 17/17 17/18 62/3 62/5 62/5 65/23 statements [27] 10/3

subject [1] 74/16 oc 42 100/10 101/3 102/24/24 **Subject [1]** 74/16 oc 42 107/6 Filed 02/29/24 termination [3] 103/3 103/5963/207 of 410 S 123/15 128/3 130/23 Case 24-142/1 statements... [26] submit [5] 80/9 84/1 surprising [2] 23/11 terms [5] 5/20 18/3 thing [5] 7/1 54/3 21/20 37/8 52/21 52/23 91/15 107/12 115/8 37/3 52/10 86/17 66/16 96/2 97/23 23/15 53/3 54/1 54/10 94/7 things [15] 12/18 12/23 submits [4] 78/2 79/16 **suspect [1]** 91/3 test [2] 105/14 108/11 109/11 111/12 111/22 testified [5] 22/15 26/7 14/17 15/20 24/6 25/8 79/24 80/5 switch [1] 48/1 112/1 113/5 116/12 syndicated [7] 6/15 31/20 117/9 141/23 30/12 42/2 48/22 48/23 subpart [1] 12/2 117/2 118/4 119/14 subpoena [3] 140/10 6/16 6/19 6/22 7/7 7/16 testify [1] 57/3 52/19 55/12 56/9 56/11 120/1 120/2 120/3 143/22 144/2 27/17 testimony [2] 24/9 136/1 121/4 121/9 123/19 subpoenaed [1] 117/6 121/21 thinking [1] 66/2 136/8 138/12 139/6 **subsequent [4]** 50/15 tests [1] 98/5 thinks [3] 65/7 145/21 states [1] 126/9 table [1] 109/24 thank [31] 3/6 3/12 95/2 101/2 101/4 145/23 status [8] 32/5 54/9 3/18 4/1 4/5 25/23 46/9 subsidiaries [6] 6/3 tactic [1] 110/3 third [3] 12/3 86/21 85/9 86/2 87/16 88/3 tactics [2] 109/1 24/22 40/16 40/19 139/9 46/22 47/22 53/14 88/6 131/19 109/15 40/20 123/24 72/22 73/2 86/9 91/20 third-party [1] 86/21 **statute** [1] 71/5 tail [1] 133/15 subsidiary [6] 6/4 6/6 91/21 97/5 101/11 thirds [1] 129/12 statutory [9] 53/19 12/4 12/10 23/8 60/10 take [33] 5/16 9/8 111/4 132/15 132/16 this [254] 54/22 64/13 66/12 though [10] 22/15 23/4 substance [1] 91/18 13/11 22/24 29/1 30/4 132/18 133/7 142/9 66/15 66/17 68/12 47/6 50/8 63/14 70/17 substantial [2] 87/12 142/10 142/20 142/21 28/12 65/13 74/14 93/5 69/21 83/17 72/23 75/1 77/24 88/10 143/1 145/10 145/11 92/16 99/18 103/5 108/8 stay [3] 85/4 85/8 88/12 95/23 97/24 substitute [1] 79/22 146/6 146/8 123/21 91/16 101/5 110/2 110/17 their [60] 5/20 7/2 10/4 thought [2] 74/4 133/4 **success [1]** 73/19 **stayed [1]** 83/12 110/23 121/19 121/20 such [24] 4/22 15/7 10/10 11/18 24/14 threat [1] 128/24 **staying [1]** 89/19 122/11 128/18 135/4 19/7 19/8 34/21 34/22 29/10 29/12 33/15 threatened [1] 130/15 steering [6] 74/13 137/11 137/15 137/23 79/2 79/4 85/9 88/22 33/19 36/12 37/2 37/16 threatening [1] 109/23 74/18 76/15 125/1 140/9 143/14 145/3 89/19 93/7 96/16 96/16 39/2 46/24 47/3 47/13 three [14] 22/7 49/16 125/5 130/24 101/20 105/6 114/20 146/9 47/14 47/24 48/15 55/8 74/22 93/13 93/17 stellar [2] 66/5 73/18 taken [5] 4/16 72/24 115/17 116/14 116/14 49/22 50/18 53/23 55/1 93/20 101/15 111/17 stenographically [1] 118/16 124/9 126/18 87/19 100/5 140/11 56/17 58/8 58/10 60/10 111/23 112/1 112/4 147/7 takes [2] 37/16 62/2 133/13 60/12 61/22 62/4 66/3 131/7 144/7 **step [1]** 46/2 taking [3] 63/12 73/8 sue [8] 63/3 63/19 71/18 81/9 86/17 88/18 | through [14] 56/12 **Stephen [1]** 26/9 124/1 89/13 96/7 96/13 98/21 70/21 75/2 90/20 93/23 81/15 92/20 94/4 94/5 steps [4] 5/13 31/1 talk [9] 31/4 50/13 76/7 134/21 134/22 104/19 105/16 107/18 95/14 110/2 110/17 31/4 87/19 sued [1] 80/6 84/7 94/14 95/11 120/12 121/7 123/1 121/20 121/21 122/11 stick [1] 15/21 suffer [1] 112/13 113/24 120/5 145/22 123/2 124/16 125/4 126/16 138/11 147/5 still [16] 10/17 12/22 suffered [4] 87/8 93/15 talked [6] 31/2 71/14 127/9 127/15 130/20 throughout [1] 17/24 18/9 34/8 37/12 42/15 117/3 134/24 135/17 133/23 134/11 136/13 94/4 136/7 tie [1] 66/14 65/14 70/18 76/5 89/8 sufficient [1] 145/24 145/20 136/20 138/8 139/3 ties [1] 99/14 118/11 126/24 129/14 suggest [2] 81/21 talking [17] 7/10 7/14 140/8 140/19 timely [3] 51/10 56/13 143/23 143/23 143/24 87/19 18/9 58/12 58/13 61/21 themselves [2] 74/13 118/6 stipulate [1] 89/14 suggesting [1] 71/22 64/24 67/15 67/16 68/9 75/18 times [6] 21/11 22/7 **stipulated [4]** 10/13 76/5 76/6 78/10 97/6 **suing [1]** 93/6 then-elapsed [1] 139/7 34/23 35/3 36/23 10/18 12/19 89/15 suit [2] 65/20 89/23 107/2 111/21 143/23 theoretical [1] 86/23 114/18 **stipulation [2]** 10/12 tangential [2] 87/21 TIMOTHY [4] 1/3 2/3 Suite [1] 1/22 theory [1] 39/22 122/20 **summarily [1]** 130/3 87/23 thereafter [1] 43/8 3/21 65/17 stock [7] 4/17 29/22 **TANGIBLE [5]** 1/6 6/4 **summarize** [1] 95/15 therefore [11] 16/9 titans [1] 125/7 30/12 30/14 67/24 68/2 **summarizes** [1] 111/5 17/21 36/6 40/20 16/15 17/7 17/13 19/9 today [23] 3/7 3/15 tax [1] 111/8 summary [4] 89/11 32/19 43/20 59/16 68/1 3/22 10/16 12/22 14/17 stockholder [4] 30/20 team [2] 22/13 32/15 77/17 106/12 28/13 37/7 57/2 73/16 91/15 92/19 93/6 71/5 91/8 134/6 supersede [1] 102/19 technical [4] 52/1 74/21 76/6 76/8 76/18 therein [1] 147/9 stockholders [3] 72/9 52/11 92/16 114/8 supplemental [1] they -- the [1] 91/11 86/7 86/8 98/17 109/4 90/14 90/17 technology [1] 6/9 they'll [1] 143/16 112/6 114/7 116/9 32/19 stop [1] 42/19 support [8] 48/4 49/4 tell [3] 23/19 75/9 96/5 they're [47] 8/6 8/7 116/10 145/14 story [2] 61/7 75/21 50/6 57/21 77/14 118/5 telling [3] 130/14 10/7 28/13 43/19 52/18 together [7] 6/6 39/23 straightforward [1] 130/18 130/21 56/5 57/8 61/21 64/7 40/1 76/20 80/13 118/11 140/19 143/15 tells [1] 129/4 supports [2] 60/12 71/17 76/5 76/6 79/5 117/23 138/20 Strategic [1] 67/22 ten [4] 10/16 54/16 told [6] 26/20 58/21 89/8 89/10 94/9 96/4 121/14 **strategy [2]** 75/5 75/16 54/24 56/5 96/24 99/20 99/23 suppose [1] 25/2 58/23 86/3 89/18 144/6 Street [2] 1/12 1/22 tenant [2] 48/16 114/22 100/2 103/8 111/24 supposed [19] 11/16 too [6] 20/14 20/14 stress [2] 34/22 78/14 tendering [1] 54/22 12/11 15/12 21/19 112/6 113/11 116/23 20/15 20/21 34/20 **stressed [2]** 124/19 21/22 74/1 74/10 74/17 tens [3] 75/14 129/1 117/5 117/13 121/8 50/11 124/21 97/7 106/23 107/4 129/23 122/3 122/4 122/8 took [13] 21/2 26/8 strict [1] 52/4 112/5 120/17 120/19 term [24] 6/16 6/16 124/14 124/17 125/9 26/24 28/21 32/21 strictly [1] 78/20 6/19 6/23 7/1 9/15 9/16 124/13 125/9 128/15 125/10 126/3 126/5 53/10 58/24 59/1 93/10 string [1] 117/23 128/2 128/3 128/5 9/18 27/14 27/16 28/1 131/1 136/12 126/5 131/9 141/8 struggling [1] 68/8 39/7 41/19 42/5 42/23 Supreme [1] 78/20 134/12 136/19 137/23 143/8 **stuck [1]** 67/14 52/6 53/23 61/9 62/15 sure [14] 7/22 28/7 141/24 142/18 top [4] 7/13 11/7 16/23 stuff [2] 139/12 141/14 119/2 122/7 127/24 28/24 35/6 39/20 41/13 they've [9] 37/12 47/14 35/17 **sub [1]** 124/10 129/7 129/22 topics [2] 87/1 87/1 51/17 68/17 68/24 96/5 81/6 94/8 123/14

T Caso 24.1	72/16 unaudited [7] 10/25 42	29,18 38,12 38,13 38,17 4 238,19 41,8 44,744,44,16	145/12 146/58 0f /110 wants [4] 63/4 63/20	while [4] 8/8 38/19
Torres [3] 2/12 3/10	unaudited [7] 15/23 44	F38/1941/844/ 1 444/ 1 6	wants447 6394 63/20	85/5 131/21
101163 [3] 2/12 3/10	11/2 110/10 110/11	44/20 45/21 74/4 88/23	134/10 146/3	White [5] 6/11 24/13
73/5	111/22 112/1 128/15	89/3 98/12 99/2 99/15	warrant [1] 52/1	24/16 24/23 24/24
total [2] 42/13 129/13	unaware [1] 126/10	100/12 100/18 100/21	warrants [1] 129/15	Whitehat [53] 12/4
trades [1] 6/19	uncertain [2] 98/8 99/4	104/9 104/15 104/20	water [2] 7/21 50/19	12/20 12/21 12/22
trading [2] 120/9	unclean [6] 33/14	106/14 108/22 109/23	way [19] 14/11 15/10	37/10 37/22 37/23 40/1
120/11	33/16 60/24 61/1 62/1	145/4	39/15 55/5 68/22 69/1	40/23 40/23 41/2 44/11
transaction [3] 6/14	128/13			
6/15 132/11		used [9] 8/16 21/14	69/8 70/9 79/20 81/8	45/24 46/1 46/17 47/3
transcript [3] 1/18	unclear [1] 119/19	38/14 43/11 101/22	81/13 90/20 104/13	47/10 47/15 51/3 56/14
22/13 22/20	unconditionally [4]	102/7 104/1 109/17	109/18 117/24 119/9	59/9 59/14 59/23 94/14
transcription [1] 147/6	36/7 78/2 79/15 80/9	133/4	121/17 123/23 129/19	97/6 97/9 97/13 97/19
transfer [4] 30/7 30/17	unconscionability [5]	using [3] 44/23 128/23	we'd [3] 131/21 131/22	100/5 100/6 100/8
88/5 135/17	7/8 84/6 95/23 96/10	129/6	146/2	100/10 100/24 101/19
transferred [1] 135/19	144/21	usual [1] 88/16	we'll [1] 125/21	102/1 102/4 102/11
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W Case 24-	50013-BLS	Doc 42-2	Filed 02/29/24	Page 219 of 410	
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EXHIBIT 28

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

GLAS TRUST COMPANY LLC, in its : capacity as Administrative Agent and : Collateral Agent, and TIMOTHY R. : POHL, :

Plaintiffs,

v : C. A. No.

: 2023-0488-MTZ

RIJU RAVINDRAN, BYJU'S ALPHA, INC., and TANGIBLE PLAY, INC.,

:

Defendants.

Chancery Court Chambers
Leonard L. Williams Justice Center
500 North King Street
Wilmington, Delaware
Thursday, May 18, 2023

BEFORE: HON. MORGAN T. ZURN, Vice Chancellor

3:15 p.m.

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TELEPHONIC ORAL ARGUMENT and RULINGS OF THE COURT ON PLAINTIFFS' MOTION FOR EXPEDITION AND MOTION FOR STATUS QUO ORDER

CHANCERY COURT REPORTERS
Leonard L. Williams Justice Center
500 North King Street - Suite 11400
Wilmington, Delaware 19801
(302) 255-0523

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    APPEARANCES:
 2
         BROCK E. CZESCHIN, ESQ.
         SUSAN HANNIGAN COHEN, ESQ.
 3
         NICOLE M. HENRY, ESQ.
         CAROLINE M. McDONOUGH, ESQ.
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         Richards, Layton & Finger, PA
            for Plaintiff Timothy R. Pohl
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 6
         LAUREN K. NEAL, ESQ.
         ELIZABETH A. MULLIN, ESQ.
 7
         Morris, Nichols, Arsht & Tunnell LLP
                 -and-
         PATRICK C. ASHBY, ESQ.
 8
         of the New York Bar
 9
         Linklaters LLP
            for Plaintiff GLAS Trust Company LLC, in its
10
            capacity as Administrative Agent and Collateral
            Agent
11
12
          JOSEPH B. CICERO, ESQ.
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                 -and-
          SHERON KORPUS, ESQ.
         DAVID M. MAX, ESQ.
14
         of the New York Bar
15
         Kasowitz Benson Torres LLP
            for Defendants
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THE COURT: Good afternoon.
                                                  This is
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 2
    Morgan Zurn. May I have appearances, please,
 3
    beginning with counsel for Mr. Pohl.
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                    ATTORNEY CZESCHIN: Good afternoon,
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    Your Honor. This is Brock Czeschin from Richards,
 6
    Layton & Finger on behalf of plaintiff Timothy Pohl.
 7
    With me in my office is Susan Hannigan Cohen, and on
 8
    the line with us from my office are Nicole Henry and
 9
    Caroline McDonough.
10
                    THE COURT: Thank you.
11
                    Counsel for GLAS Trust Company?
                    ATTORNEY NEAL: Good afternoon, Your
12
13
    Honor. Lauren Neal of Morris Nichols Arsht & Tunnell
14
    on behalf of plaintiff GLAS Trust Company LLC. On the
15
    line is my colleague Elizabeth Mullin, and also on the
16
    line is Patrick Ashby from Linklaters, Irena
17
    Goldstein, senior legal counsel at GLAS, and Katie
18
    Fischer, who is a vice president at GLAS.
19
                    THE COURT: Thank you.
20
                    Counsel for the defendants?
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                    ATTORNEY CICERO: Good afternoon, Your
22
    Honor. Joe Cicero, Chipman Brown Cicero & Cole.
23
    on the line with me are my co-counsel, Sheron Korpus
24
    and David Max from the Kasowitz Benson Torres firm.
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THE COURT: Thank you. 1 2 ATTORNEY CICERO: And also, I will 3 note I believe I have some client representatives 4 listening. They are going to be on mute. 5 THE COURT: Thank you. That was my 6 first request. I hear a lot of folks joining our 7 call. Please mute your lines if you're not speaking. 8 The second is that I understand 9 someone violated our court policy and the trust that 10 we put in you-all when we make these accessible to the 11 public and was recording this proceeding. That is 12 strictly prohibited, and if I hear about it, you will 13 not be able to participate in these proceedings any 14 further. 15 Third, Mr. Czeschin, your audio 16 quality was not great. I don't know if there's 17 anything you can do to improve that. But we'll go 18 from there, and you may proceed. ATTORNEY CZESCHIN: 19 Thank you, Your 20 Honor. 21 I believe there's some interference on 22 the line, or I'm not sure if it's people clicking in 23 or off of the call. But hopefully you can hear me 24 better now?

5 THE COURT: It is better. Thank you. 1 2 ATTORNEY CZESCHIN: Okay. 3 So with Your Honor's permission, I'll 4 be speaking on behalf of both of the plaintiffs today 5 and addressing the motions for entry of a status quo 6 order and for expedition in this action that's brought 7 pursuant to Section 225 of the Delaware General 8 Corporation Law. 9 And I would like to start, briefly, 10 with just a description of the underlying facts. 11 Plaintiff GLAS Trust Company is the administrative and 12 collateral agent for a group of lenders that provided 13 a \$1.2 billion term loan to Byju's Alpha. And Byju's 14 Alpha is a special-purpose entity that was set up to 15 be the borrower for that loan. Byju's Alpha was a wholly owned subsidiary of Byju's Pte., which is part 16 17 of a family of Byju's companies that operate a very 18 large online education business. 19 And the loan terms are set forth in a 20 number of detailed agreements, including a credit 21 agreement, a security agreement, and a pledge 22 agreement. And pursuant to those agreements, a number

of the Byju's entities agreed to be guarantors for the loan and/or they pledged various assets --

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1 UNKNOWN SPEAKER: I'm so sorry to 2 interrupt. I believe the hearing is underway, so I'm 3 going to hop off. THE COURT: I'm sorry. Everyone 4 5 except for Mr. Czeschin needs to mute their lines. 6 Mr. Czeschin, you may proceed. 7 ATTORNEY CZESCHIN: Sure. 8 So, again, pursuant to the agreements, 9 there are a lot of Byju's entities, related entities, 10 that agreed to be guarantors for the loan and/or they 11 pledged assets as collateral for the loan. And that 12 would include one of the other defendants here, 13 Tangible Play, Inc. 14 And those loan documents were signed 15 in November of 2021. And unfortunately, relatively 16 quickly thereafter, Byju's Alpha and its related 17 entities fell out of compliance with the loan terms. And I don't think it's necessary to go too deep into 18 19 the detail on this call into the defaults, but they 20 fall into three general buckets. 21 The first bucket was the failure to 22 provide audited financial statements. The second 23 failure was not providing timely or complete unaudited 24 financial statements. And then, third, there was a

failure by one of the Byju's companies, known as Whitehat, to join as a guarantor to the credit agreement by the date it was required to do so.

And these defaults by Byju's, they started in February of 2022 and they continued to pile up as time went on, so that by the summer of 2022, you have counsel for the lenders sending correspondence demanding that the defaults be addressed. And this led to, you know, months of correspondence and negotiations between the parties, including the execution of several amendments to the credit agreement and a forbearance agreement.

And in those agreements, Byju's expressly acknowledges and agrees to the existence of the defaults, and they are defined as the "Specified Defaults" in the papers. And they further agree that those specified defaults provided the lenders with the right to accelerate the loan once the forbearance period expired. And we quote those documents at the outset of our reply brief that was submitted, Your Honor, and we submit that the language could not be more clear.

 $\label{eq:Nonetheless} \mbox{Nonetheless, despite the best efforts}$ from the lenders and from GLAS, the negotiations

during the forbearance period were not successful.

Either Byju's would not engage, or they continued to drag their feet and they continued to fail to perform the obligations under the credit agreement.

So February 10, 2023, comes, and that is when the forbearance period expires. And it expired without any resolution.

But, again, the lenders did not immediately accelerate the loan and exercise their remedies on that date. They tried to continue to engage with Byju's for several more weeks. But given the continued foot-dragging on that side and growing concern about the security of the loan, on March 3, 2023, the lenders determined that they had no choice but to instruct GLAS, as the administrative and collateral agent, to provide notice of default and acceleration of the loan and to exercise the remedies under the pledge and security agreements.

In particular, GLAS exercised its contractual right to transfer 100 percent of Byju's Alpha's stock to itself, and following the belt-and-suspenders rights in the loan documents, also executed an irrevocable proxy memorializing its power as the attorney-in-fact of Byju Alpha's direct parent.

And these actions gave GLAS the authority to vote or otherwise control 100 percent of Byju's Alpha's stock. And GLAS used that authority to execute a stockholder written consent that, among other things, removed all of Byju's Alpha's existing directors — and we understand that there was only one director, and that is Mr. Riju Ravindran, one of the defendants here — and appointed in his place, as the new sole director, Mr. Timothy Pohl.

And that written consent was properly drafted and delivered to the company, and there's no dispute that's been raised by the defendants with respect to the written consent.

Also on March 3, Mr. Pohl exercised his power as the sole director by executing a written consent in that capacity removing any existing officers of the company and appointing himself CEO and secretary of the company with sole authority and control over the company's accounts. Mr. Pohl and GLAS also sent notices out to over 300 financial institutions notifying them of Pohl's exclusive authority over Byju's Alpha's accounts and seeking to locate those accounts so that he could take control.

Now, Byju and Riju Ravindran, who are

sort of the two top folks at the defendants, refused to accept this exercise of remedies, but they did come back to the negotiating table, and the parties again engaged and, you know, sought to reach a resolution of their disputes. And the lenders were willing and happy to do that, and certainly did not want to rush into litigation if it wasn't necessary.

However, unfortunately, the parties weren't able to reach an agreement, and there was increasing concern about the underlying security and collateral for the loan, especially given the announcement that Mr. Ravindran was being investigated by the Indian government.

So as a result of that, on May 3, the plaintiffs filed this litigation, along with our motion to expedite and a motion for a status quo order. And I'd like to turn to the motion for status quo order first.

It has been the historic practice of this Court to enter status quo orders in Section 225 proceedings where, as here, there's a dispute as to who the proper board is of the company. And the purpose is, really, to protect the company and its assets until the Court can determine who is the proper

board.

Now, the elements for the entry of a status quo order are a threat of irreparable harm, balance of the hardships, and a likelihood of success on the merits. The threat of irreparable harm is generally satisfied simply because you may have someone exercising control of the company that doesn't have authority to do so. And that's why status quo orders are typical in this setting.

But here, we have that form of irreparable harm plus a whole lot more. And, you know, I want to focus on that additional irreparable harm we have in this case which, really, starts after we filed the complaint. Mr. Byju Ravindran told the lenders and their advisors that over \$500 million that they had been led to believe was in Byju's Alpha was no longer in that entity and the lenders would never find it.

To say that this was shocking and extremely concerning would be an understatement. This is really extraordinary conduct and is why we pushed to have this hearing promptly.

And significantly, in the declaration that was filed by Mr. Ravindran along with the

defendants' opposition papers, Mr. Ravindran admits that on some undisclosed date, presumably in 2023, the cash was moved out of Byju's Alpha to some unnamed other entity that we don't know, allegedly an entity that's related to Byju's and located in the U.S.

And remarkably, Mr. Ravindran provides no explanation for why this money was moved. He just says, well, there's no prohibition in the loan agreement on transfers.

But there is something called fraudulent transfer, when you move funds to keep them from the reach of creditors. And here, Mr. Ravindran moved half a billion dollars out of a distressed entity, after it had defaulted on its credit agreement, after the company had entered into a forbearance agreement to keep the lenders from exercising the remedies, and possibly after that forbearance agreement had expired. We don't know the date that the money was moved. And you also have, again, his brother, Mr. Byju Ravindran, saying to the lenders, "You're never going to find it."

So we felt that it was critical to get a status quo order to lock this company down and to get the current director, Mr. Pohl, in place and

access to the books and records, to understand what happened and what assets are left, if any.

And it really is necessary to preserve the current value of Byju's Alpha to understand what happened, because no one has told us where the \$500 million was moved to, but it was apparently a related entity. Well, which one? Is it an entity that Mr. Ravindran controls, such that, as a party to this litigation, he can be ordered not to make any further transfers?

We have something that on its face looks, you know, highly suspect. And one of the current assets of the company may be the right to get that money back at some point. And at the very least, the plaintiffs -- and, frankly, the Court -- should be told where the money went so we can determine whether or not it could be locked down and frozen until this case can be resolved.

So this is a case in which we have a very real and somewhat -- or I'd say quite unusual situation, where there is a true risk of irreparable harm.

Now, the defendants, they don't dispute that there should be a status quo here, a

status quo order entered here. But they do dispute what is the status quo. According to the defendants, Mr. Ravindran remains the current director of the company. And that's simply incorrect.

There's no dispute that GLAS exercised remedies, including delivering a written consent removing Mr. Ravindran and appointing Mr. Pohl. That is the current state of affairs. That Mr. Ravindran has refused to accept his removal doesn't change the facts.

And where the plaintiff has taken facially valid action to replace a preexisting manager or director, this means that that new manager will generally be recognized as the incumbent and the proper side to manage the entity under a status quo order. And in our brief, Your Honor, we cited three recent opinions for this point. That would be the Klein case, the Saadia Square, and the Haart cases, all that were cited in our reply brief.

And they make clear that the Court must accept the allegations of the complaint as true in determining who is the incumbent, and that to put the removed director -- here, Mr. Ravindran -- back in office would be, effectively, improper mandatory

injunctive relief at the outset of the case.

Now, despite those authorities, the defendants argue, well, this case should be different because Mr. Pohl was never actually given access to the company's accounts. And we don't think that can possibly be a justification, because otherwise, the removed director could essentially always retain office simply by refusing to comply.

We also have an entity here that does not have active operations and employees. So some of the concerns that, in different cases, have come up about continuity of operations on the ground, that just doesn't apply here. This is a special-purpose entity with no operations and no employees.

And the fact is that Mr. Pohl has done everything he could to assert his authority over the entity, including sending out notices to 300 financial institutions in March and again in May, trying to locate and lock down the assets of the company.

So there's really nothing here that justifies departing from the normal rule that Mr. Pohl should be recognized as the incumbent. And I really would point to the *Saadia Square* case as similar, where, there, Saadia Square submitted a written

consent purporting to remove the manager and appointing itself as the new manager. And then there was a motion for a status quo order in that matter, and Your Honor found that Saadia should be put in place as the incumbent status quo manager and found that because Saadia had not been given any access to the books and records or accounts of the company, the order says that no later than the next business day, the other side shall furnish and make available to Saadia any and all books and records necessary for the operation of the company.

And that's effectively the same situation that we have here and the same relief that we are seeking here.

Now, there are also a couple of other differences between the two status quo orders that the parties have proposed. One is that defendants are not only asking for Mr. Ravindran to be put back into office, but their form of status quo order really doesn't prohibit him from doing anything. It just says that he must provide plaintiffs with seven days' notice before taking any actions outside the ordinary course. We think that that's an improper approach for a status quo order in these situations.

They also seek to exclude, even from the notice requirement, Mr. Ravindran purporting to disqualify certain lenders under the credit agreement.

Now, this is a right that we don't think Mr. Ravindran has, because he's been removed and for other reasons.

But it's a term of the credit agreement that would allow the company to disqualify lenders and have them be forced to sell or assign their interest at a discount.

And we think it's really a remarkable request that they want to be able to do this while under a status quo order. The entire purpose of a status quo order is to lock down the parties and the company in the positions where they are when the litigation is filed.

And here, the key stakeholders for what, you know, appears to be an insolvent entity are the lenders. And the notion that the defendants can change the lenders during the pendency of a status quo order, we think, is plainly incorrect.

So those are the primary differences between the two orders that the parties have submitted, and that's why we think there is a very real risk of irreparable harm in this case. And I

think I can just briefly touch on the balance of the hardships and likelihood of success on the merits.

On balance of hardships, given that both sides concede that a -- or both sides have agreed that a status quo order should be entered, the balance of the hardships is really, you know, would one side suffer an undue hardship if the other side's order was entered. And I think that really comes down to, well, who is the best person here to preserve the assets of the company while this matter gets decided.

On the one hand you have Mr. Pohl, who is an independent expert in dealing with distressed entities. He's had a successful career in the restructuring group at Lazard and, before that, as a partner at Skadden Arps. And then, on the other hand, you have Mr. Ravindran, who has admitted to transferring half a billion dollars out of the company, for no discernible reason, while it was in default under its credit agreement. So we think the choice there is clear.

And on the likelihood of success on the merits, this is the least weighty of the elements at this preliminary stage, but plaintiffs have already made a very strong showing. You need look no further

than the forbearance agreement. In that agreement, the defendants acknowledge and agree to the specified defaults. And they further acknowledge and agree that the specified defaults entitle -- that is the word that is used -- "entitle the lenders to accelerate the loan and exercise remedies."

And the notion in the opposition brief that those agreements were signed under economic duress is, we think, fairly absurd, given the size of the company that we're talking about here and given the sophistication and, really, the teams of lawyers that have been working on this for a very long time.

Now, the defendants also make a forum argument which we believe lacks merit. The forum selection clause doesn't say what they say it says. Rather, it expressly recognizes that GLAS, as the agent for the lenders, can sue in any jurisdiction. It's only the defendants that are required to file in New York.

Also, the forum provision doesn't apply to Mr. Pohl, who is not a signatory to the credit agreement. And he has an express statutory right, under Section 225, to pursue this case.

And also, this is a Section 225 case,

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in which the Court has express authority to resolve corporate control disputes. And those disputes often involve issues of foreign law that this Court routinely decides. So we don't think there is any basis for their argument on the forum selection clause.
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And that's really, you know, all I had with respect to the motion for status quo order. If Your Honor has any questions on that one, before I move to the next motion, I'd be happy to address them.

THE COURT: No. Thank you.

MATTORNEY CZESCHIN: So the second motion is the motion to expedite. Again, this is not opposed by the defendants, but they are asking for a trial in September, and they do that so to allow for motion to dismiss briefing on their forum argument.

We think that's improper. We don't think that motion practice in an expedited 225 case is appropriate. Rather, they can make their argument in their trial brief.

Accordingly, we don't think we need until September, and we would ask for the earliest available date, before the end of July, preferably, because we view this as a very simple case that can be

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resolved based on largely undisputed facts and the
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    parties' written agreements.
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                    Unless Your Honor has any questions, I
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    have nothing further.
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                    THE COURT: I do. Do you foresee
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    presenting the issues on a dispositive motion or with
 7
    a full-blown trial?
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                    ATTORNEY CZESCHIN: Your Honor, I
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    think we were anticipating that we would need to go to
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    trial. But I guess we haven't ruled out the
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    possibility of a motion for summary judgment.
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                    THE COURT: Thank you.
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                    Mr. Cicero.
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                    ATTORNEY CICERO: Thank you, Your
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    Honor. I appreciate your time today, and I just want
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    to give some brief overview. And it's going to be
    brief, and then I will hit the three issues.
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                    Byju's Alpha's and Tangible Play, as
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    you heard, are part of a group of related entities
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    which together constitute the world's largest
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    education technology business. When I refer to
22
    "Byju's," I'll do my best, I'm referring to the
23
    collective business entities. Otherwise, I will refer
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    to "Byju's Alpha" or the "company."
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Byju's technology and products benefit
in excess of 150 million children globally. As
reflected on their website, and I think we put a
footnote in our brief, you'll see that Byju owns
numerous education businesses and products.
                For example, just to put it in
context, Your Honor, one such business is called Epic.
It's used by 10 million U.S. students on a monthly
basis. That's the current active user amount.
                In addition to its for-profit
business, Byju's also provides about 150 million
children globally with free access to the platform.
That's about 4 times larger than Kahn Academy, which
those of us on the phone may be more familiar with.
This makes Byju's likely the owner of the largest
not-for-profit education platform in the world.
                That group of companies has been
valued recently at over $22 billion. And the company,
as Mr. Czeschin said, is a borrower under a credit
agreement in connection with a $1.2 billion term loan.
                The company's ultimate parent, Think &
Learn, is a private limited company organized under
Indian law.
            Think & Learn is also the parent
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guarantor under the credit agreement.

It's clear from the terms of the credit agreement that the parties always intended that the consortium of lenders would not be comprised of entities that primarily deal in distressed debt. This is a hot-button issue, I think, in this matter, whether it's here or whether it's in New York.

At the heart of lenders' concerns, and likely the reason for this action, is that the credit agreement expressly provides that the company can designate any entity whose "primary activity is the

designate any entity whose "primary activity is the trading or acquisition of distressed debt," and they could designate such entity as a disqualified lender. If the lender is designated as such, among other things -- without getting too much into the technicalities, Your Honor -- the designated lender could not trade its debt freely.

It turns out that the lender group, we believe, now includes opportunistic traders that trade in distressed debt, which was not, you know, accounted for in the agreement, or at least there was a mechanism to deal with it. Those lenders are seeking to avoid being contractually disqualified and thus have attempted to rely upon purported nonmonetary defaults of the credit agreement to extract a windfall

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with the threat of seizing the company and, in the
process, eliminating the possibility of
disqualification.
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We believe that the purported defaults that opposing counsel mentioned -- I think we mentioned three types, and I'm not going to get into, I think, the details on that, Your Honor. It's in the papers on both sides. But they're characterized as nonmonetary defaults. They do not give rise to a level to allow the remedies sought under New York law. They are disproportionate and unconscionable under the case law there. To allow an acceleration and immediately due payment of \$1.2 billion based on these types of defaults is, like I said, disproportionate under New York law.

So the whole basis of this action is like a bunch of dominoes, Your Honor. Those dominoes add up to this case. And without those, you couldn't have a Section 225 case.

Simply stated, I think the lenders are not truly interested in running the company, like a typical 225 case, or making the company successful; but rather, they want unrestricted trading of the debt and the ability to make a hefty premium. This doesn't

line up with the purpose of Section 225 that opposing counsel even mentioned, which is to make sure that the company is preserved.

It runs counter to the purpose of a status quo order — to protect the company and its business. The company has made all payments, that's critical, on time and in full to the lenders under the credit agreement.

The timing of the lender action also highlights these true motives that I just mentioned. To facilitate the negotiations between lenders and the company, they executed an NDA in late February of this year. Basically, the terms of the negotiations, the timing, the fact that they were occurring, and many other details were barred from being in the public. Yet approximately one week after that NDA was signed, plaintiff, GLAS, the lenders' appointed administrative agent, sent a default and demanded immediate and full payment from the company and its guarantors.

GLAS claimed that it had authority to issue the written consents and, as you heard, replaced the directors and officers with their appointee,
Mr. Pohl. We certainly don't dispute the fact that those written consents were provided. We dispute the

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underlying merit of those. And I understand Your
Honor's decision in Saadia, which I'll get to in a
moment, and I think this is distinguishable.
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Plaintiffs then waited two months to commence this action, while they continued negotiations with Byju's. As set forth in our papers, lenders have engaged in a campaign to harm the business. Again, they're not interested in running this company.

These are not the actions of a lender looking to remedy purported events of default to get paid, particularly when they are being paid. They certainly are not actions of corporate constituents looking out for the best interests of the company.

Three issues -- one, the composition of the status quo order, the status quo restrictions, and the scheduling -- are really what's in play today.

With respect to the status quo board, Mr. Pohl never was "installed," from a factual point of view, as a director or officer. And he did not gain any access to the company's accounts system or other property.

I think it's important that this is highlighted or amplified by plaintiffs' own proposed

status quo order, at paragraph 4, which seeks a mandatory injunction that defendants immediately provide access to and exclusive control over all the accounts, servers, system, documents, and information of the company.

If Mr. Pohl had been installed, he would have access to that. And I understand that he didn't really have control over that, but I think that's a factor in deciding who's the status quo board. It happens quite often. As we sit here today, as a factual matter, the status quo is Mr. Ravindran. He's a director and officer of the company. He has access to and control over the very items plaintiffs are asking this Court to transfer to Mr. Pohl via the proposed status quo order.

I think this is consistent with Your Honor's decisions in *Saadia* and *Haart* and also consistent with Vice Chancellor Fioravanti's fairly recent decision in *Packsize*. And I'll explain.

While plaintiffs argue that Saadia and Haart support their position, if you look closely at the facts -- which Your Honor definitely knows more than we do -- when you look back at the complaint in Saadia, which it was an action under Section 18-110 of

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the LLC Act and concerned an operating agreement that was silent about the removal of the managing member, while it's true that the individual deemed to be the incumbent provided written consents and Your Honor found that person to be on the board, critically, that member actually not only executed written consents, but acted as the managing member and conducted business at the company.
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In the complaint, there's an allegation that the new managing member negotiated and closed on a sale of real property for \$157 million.

It notified the tenant of the sale and instructed the tenant to remit lease payments to the new owner. That is doing much more than simply providing consents.

That is actually acting on behalf of the company.

Similarly, in Haart, after executing written consents, the director doing so terminated the prior director and officer's access to her company emails and company credit card. Again, that's more than just providing written consent.

And I think Packsize supports this, and I don't think it's inconsistent with Your Honor's rulings. I think it's consistent. Vice Chancellor Fioravanti said this issue of determining a status quo

board is really fact intensive. And then he goes on to say that he distinguishes between certain scenarios and then gives these examples that if there's an installment of new management -- for example, changing the lock to the corporate offices and taking control of the facilities and infrastructure -- then that's the status quo, and he would provide status quo on the ground at the time. And we think that is consistent with what we're asking for here.

Also, the Salamone case was cited in the other set of briefs. That was actually a case that I handled many years ago. And in that situation, that's another one where written consents were dropped and the board that was purportedly removed remained on the status quo board. That case took probably nine months to come to fruition, and ultimately, one of the claims was dismissed for violating Delaware corporate law.

I'd like to move on to the status quo provisions. We think there's only really two major disputes on that. One, at the outset, I want to say our notice provision about providing seven days' notice -- I mean, that's fairly standard. I think it's been in almost every status quo order that I've

ever been involved with. I don't think we necessarily 1 2 would have a problem removing a notice provision. 3 It's really about what the restrictions are, and I think the restrictions comport with a typical status 4 5 quo order. 6 There are two issues. One goes back 7 to paragraph 4, which we just spoke about. This is 8 mandatory injunctive relief requiring defendants to 9 hand over property and control to Mr. Pohl. That is 10 mooted, obviously, if Mr. Ravindran is left as the 11 status quo. 12 The only other one, which we believe 13 is the main issue in this case, in this dispute, at 14 least the biggest one before Your Honor, is paragraph 15 The remainder of paragraph 5 is fine. 16 Paragraph 5 subsection (j) is a novel request of this 17 Court. It asks that this Court restrict the company 18 and its affiliates, not parties to this case, including Think & Learn, from designating any lender 19 20 as a disqualified lender under the terms of the credit 21 agreement. 22 Plaintiffs are asking this Court, on 23 an interim basis, to enjoin a contractual right of

parties and nonparties. Plaintiffs have failed to

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demonstrate that the company and its affiliates are no longer afforded that right and have not shown any irreparable harm on that point.

And I think opposing counsel have noted that the only entity that could, I guess, invoke that right, for lack of a better term, is the company. And I don't believe that's true.

Section 1.12 of the credit agreement provides that the parent guarantor, which is Think & Learn, can send a notice under this agreement, including, we submit, a notice to disqualify the lender. And it's actually irrevocable under that section. I can read a little bit from it.

It says, "Each Loan Party by its execution of this Agreement irrevocably authorizes the Parent Guarantor" to do a number of things, and authorizes the parent guarantor to give all notices and instructions to execute on its behalf and to make such agreements, "and in each case, each Loan Party shall be bound as [if] that Loan Party itself had given [] notice and instructions[.]"

So if Your Honor were to, on an interim basis, restrict the invocation of a contractual right of a nonparty, I just don't think

that's something the Court can do, particularly at
this stage.

Secondly, even if the company were the only party that can invoke that notice, we don't think it's appropriate under status quo protection. This is not a protection of the company at all. It's a protection of the lender. I have never seen this before.

And I think that would be off track, to take away -- to actually take away a contractual right of the company during the status quo period and provide relief to a lender who doesn't have standing and is using Mr. Pohl as its agent to seek -- and GLAS to seek such relief.

Importantly, Byju's believes it's approximately two weeks away from a large equity infusion, as we put down in our papers, that would enable a material pay-down of the term loan. We believe all of this, including getting rid of this DQ provision, is just leverage by the lenders because they need a negotiating tactic for purposes of a new negotiation of the credit agreement.

Any disruption of this new equity infusion would not actually help the company, it would

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harm it. And Section 225 was designed to stabilize
and add the company.
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I want to quickly address -- well,

I'll address as quickly as Your Honor wants me to, I

can hone into it a little bit more. In the reply

brief, plaintiffs make some statements that the

company is near insolvency. You heard that today.

Those allegations are completely absent from

plaintiffs' 54-page complaint, which I also think is

fairly novel for a 225 case, laying forth all the

background on this unique case.

This is not a fraudulent transfer action, nor could it be. The payments are being made on the loan, and there is no insolvency. And there certainly are no fiduciaries owed to the lenders. The facts will ultimately show that the company is solvent.

As discussed in our papers, Byju's recently raised \$250 million. In addition, we can show that, in the last 12 months, it raised 1 billion in equity. One half of that was in the last six months, and 750 million of it is unsecured. And there are other assets owned by Byju's Alpha. I believe it holds the license to use intellectual property in

India, which is very valuable.

Plaintiffs raised this issue of the \$500 million transfer as a reason to rule against defendants, and obviously this is -- you know, when first hearing about it, it raises antenna. I understand that, Your Honor.

But Byju's was not restricted from making any transfers, contractually or otherwise, as noted. It wasn't a fraudulent transfer. And if it were, the lenders have recourse. A Section 225 case is not the avenue to adjudicate a fraudulent transfer claim. We believe that's skirting a fulsome plenary case that is meant to be brought in New York here.

there was no restriction, and that's why they had to rely upon this fraudulent transfer theory. But as discussed, Byju's is solvent. Byju's moved the funds, and Byju's moved the funds to an entity that it controls in the United States. The money is in the United States. I don't know exactly when it was done.

Plaintiffs knew from the start that

To be candid, these were based on fear of lenders acting expeditiously with these unconscionable tactics to assets without a proper determination and due process under the credit

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agreement. Byju's felt the need to protect the cash.
Nothing less. There's nothing impermissible about it.
As sophisticated lenders, they could have insisted on
a restrictive provision. They did not.
                I want to touch briefly on -- because
it sort of goes hand in hand with scheduling, Your
Honor -- on the jurisdictional forum piece.
                We -- there's clearly a disconnect
between the two sides as to how we read this forum
selection provision. I read this, even with the extra
language at the end, as requiring exclusive
jurisdiction for all parties to bring disputes under
the credit agreement and related documents. There is
sort of what I'll call at least unusual to me, Your
Honor, maybe it's not to New York lawyers, an unusual
provision at the end that the other side seizes on.
                But read in whole with this agreement
and in that particular paragraph, I believe that means
that the parties are not restricted to only going to
New York to enforce a judgment or other remedy once
they already have a judgment in New York on an
underlying default or otherwise. And that's how we
read it. Obviously, we didn't -- none of us fully
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briefed that issue for Your Honor. I think it's an

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important issue. We would like a modest amount of
time to do that.
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It's not common, but it's not unheard of, Your Honor. I think in the *Stream TV* case, Vice Chancellor Laster allowed something like that to occur. It was a different issue, but he allowed a motion to dismiss to happen pretty promptly. And that happened late last year, I believe.

And that case, by the way, is on five-month track in a 225 case also involving creditor issues. So we think our ask of an additional month is fair and, with a status quo order in place, would not be harmful to anyone.

We want to deal with this expeditiously; we just need an extra month -- or not need, Your Honor, but we think that's the right move, to have more time so that we can brief this issue for you.

I also want to say, and I'm happy to get into the jurisdictional issue more, but we'd like to have that in briefing before Your Honor.

There's also just simply a practical and personal note. I -- and Your Honor may not care about it, I understand, but I have a family vacation

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planned the last week of July spilling into August that was delayed for two years based upon the pandemic. I understand that's not an issue. There's important issues before the Court. I wanted to note it, and that's one of the other reasons. It's not as if my client is begging me to make sure this thing gets delayed. That is not what's happening.
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Your Honor, unless you have any other questions, we believe that our status quo order is the appropriate one, and we believe that this case could be fairly presented to the Court by the beginning of September with some modest time available for a motion to dismiss.

THE COURT: Thank you. No questions.

Mr. Czeschin.

ATTORNEY CZESCHIN: Thank you, Your Honor. Very briefly. You know, we obviously disagree with the characterization of the lenders as being some sort of distressed debt vultures and the characterization of, really, the background here.

But on the key issues for today of the status quo order, first of all, it is very normal to have status quo orders apply to the affiliates of the parties. But even beyond that, the provision that

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Mr. Cicero referred to about the parent guarantor acting to give notices, that provision says they can act on behalf of the entity, which is Byju's Alpha. It's still Byju's Alpha that is doing the thing, they've just said someone can send the notice on their behalf. So we don't think that -- we don't think that gets them out of, you know, the situation where it's really Byju's Alpha that is doing this disqualification.

And we also don't think it's unusual to have affiliates bound by a status quo order. I think that happens all the time. And beyond that, going back to what I said before, which is this -- the
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If they would have taken this action, you know, in the many months since the parties have been talking — the parties have been talking since the summer of 2022 — then obviously, it wouldn't be subject to a status quo order. But we are where we are as of today, and we ought to lock everything down, meaning the parties' positions and, again, the assets of the company.

whole point of a status quo order is to lock people

down in their current positions.

And there was a lot said about, well,

Pohl doesn't even want to run this company. We're talking about Byju's Alpha. We're not talking about the entire Byju's family of companies. We're talking about Byju's Alpha, which was effectively a holding company that was to give comfort to the lenders.

And, you know, it's important to have Mr. Pohl be the director of that company during the status quo period so that he can locate and lock down assets. That's what we're asking to do. There's no other running of the company that's going to happen. And that's what he has tried to do, is lock down assets.

And again referring back to the Saadia Square case, I think that case is exactly on point. And just like the proposed status quo order in this case, in that case there was a paragraph that said Saadia will be immediately given access to the books and records and the accounts of the company because he had been excluded from that by the other side. And that's the exact same thing that we are seeking here.

And just finally, on the \$500 million point, that's a huge issue. I think what we heard from the other side does not give us any comfort that there won't be further transfers of assets if

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Mr. Ravindran is in control, given this history of,
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    frankly, what looks like an improper transfer. I
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    don't see anyone on our side, how there could be any
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    trust and confidence that Mr. Ravindran would not take
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    action again that we believe would be clearly
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    inappropriate.
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                    And then, finally, the forum piece,
    that's something we're happy to brief, but we think it
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    should be briefed in connection with an expedited
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    trial.
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                    THE COURT: Thank you. Can you
    address why your status quo order precludes Mr. Pohl,
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    in 5(j), from designating anyone as a disqualified
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    lender? Presumably he's a fiduciary for the company.
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                    ATTORNEY CZESCHIN: I'm sorry.
                                                     So it
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    would prohibit Mr. Pohl from designating anyone as a
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    disqualified lender, you're right. That point -- you
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    know, we don't think Mr. Pohl would do that, but we
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    thought it was appropriate, given that this is an
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    entity -- and again, when I'm talking about
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    insolvency, I'm talking only about Byju's Alpha --
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    this is an entity that seems to potentially be
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    insolvent. And therefore, the creditors are the
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    residual beneficiaries; and that, you know, who those
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creditors are should be locked down. And that applies
whether or not Mr. Pohl is in office or Mr. Ravindran
is in office, in our view.

ATTORNEY CICERO: Your Honor, this is Joe Cicero. May I briefly address that one question that you asked Mr. Czeschin?

THE COURT: In a moment. I'll give you the opportunity. I'm considering what Mr. Czeschin said.

10 ATTORNEY CICERO: Thanks.

understand, unless we know that we're in the zone of insolvency, why the stratification of lenders is something, through a contractual arm's length arrangement, that should be, as you put it, "locked down" under a 225 status quo order. Until we get to a place where there's fiduciary duties owed to those creditors, I don't think of that as something sort of internal to the company that we typically, as you say, lock down in connection with determining who's at the helm of the company.

ATTORNEY CZESCHIN: Yeah. I think, given the fact that we don't know a lot about the insolvency or the solvency of this entity -- we

thought that there certainly is the prospect that this is an insolvent entity and that the lenders are the residual beneficiaries, so it makes sense to lock them down.

Again, I suspect that if Mr. Pohl is the director, that he would not be doing that. And what we believe, the -- the idea for a holding company would be just to hold the assets, find the assets, and make sure everything is locked down until this case gets decided. So we were willing to live with that restriction for, you know, Mr. Pohl or Mr. Ravindran, whoever is the status guo director.

I understand Your Honor's concern that it's a little unusual to address a lender issue in a status quo order, but given sort of the unique facts here and the fact that this company, you know, arguably is in insolvency, that it is appropriate.

THE COURT: Given, as you said, that we don't know yet whether the company is actually in the zone of insolvency; and given, if I were to enter your status quo order, obviously Mr. Pohl is your preferred fiduciary for Byju's Alpha, how would you respond if we tweaked 5(j) to say that if Mr. Pohl thought that a lender needed to be designated as a

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disqualified lender, that he would give five days'
notice to the parties, instead of just precluding him
from doing so? And then we might be able to address
that issue with more information and a little bit more
clarity.
                ATTORNEY CZESCHIN: We wouldn't have
any objection to that at all, Your Honor.
                THE COURT: Okay. Thank you.
                Mr. Cicero.
                ATTORNEY CICERO: Thank you, Your
Honor. I appreciate you indulging me.
                On that last point, of course they
don't have an issue with that, because Mr. Pohl is the
appointee of the lenders and he would never, ever
disqualify them. So it doesn't really matter, you
know, if that provision is there or not. If Mr. Pohl
is in power, then he's not going to disqualify a
lender, whether or not it's beneficial to the company,
not to the lenders.
                And I agree with Your Honor about --
or at least what I believe Your Honor is saying about
insolvency. I actually think it's much worse than
that. Under the Gheewala decision, I don't think it's
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the zone of insolvency. You have to be insolvent in

fact. So there's been no showing of that, and this would be way outside the norm and we think it's inappropriate.

Again, we think Mr. Pohl obviously isn't going to disqualify a lender in any event, and this is all about leverage. And the status quo order should not be protecting the lenders. It should be protecting the company. And, you know, basically that's a contractual right, as I noted, and I think that would be unusual.

One last thing. I think it's unfair to say that, under our status quo order, there would be transfers. Our status quo order, unless I'm missing something, Your Honor, completely excludes transfers of any kind, which is the norm under a status quo order. It just has the notice provision, which is pretty common.

And, again, I think we'd be okay taking that out. We don't -- so everyone's protected, whether or not -- well, they're protected whether our guy's in or not. So we just think this DQ provision should not be in any order, and we think Mr. Ravindran is the proper status quo director.

I appreciate your indulgence again.

45 Thank you. 1 2 THE COURT: Thank you. 3 Thank you all very much for all the 4 hard work that went into the briefing and the 5 presentation. 6 There's a lot of folks on the line. 7 got a lot of paper, and the parties have explained a lot of background and made a lot of argument. 8 9 If everyone could mute your lines, 10 please, so there's no interruption. 11 Despite the interest, paper, and work 12 that's gone into these motions, this is, at the end of 13 the day, a motion to expedite and a motion for a 14 status quo order filed with a 225. To my mind, those 15 forms of relief are granted as a matter of course in a 16 225. Further, the law and my position on keeping the 17 incumbent, even a disputed incumbent, in the board 18 seats under the status quo order is clear. 19 I'll start with the status quo order. 20 The terms mostly, with one exception, look pretty 21 routine. Under the principles that I enumerated in 22 Haart and Saadia that the parties are both familiar with, Mr. Pohl is the incumbent and his service as 23

Byju's Alpha's fiduciary is the status quo. Changing

that would be a mandatory injunction that I'm not permitted to do on this record and at this stage.

The defendants' argument that Mr. Pohl hasn't been installed or hasn't acted as a director or officer, and that Mr. Ravindran still has unique access to the company's books and records, just reflects why we're all on the phone today — that the efficacy of the documents installing Pohl as a director and officer are disputed. Under the principles and the law that I've explained in Haart and Saadia, Mr. Pohl is the incumbent and he'll remain in his position pending the adjudication of this dispute.

I think the other terms in the status quo order are fairly routine and they're appropriate.

As to 5(j), I am hesitant to alter contractual rights, especially given that this is such a hot-button issue between the parties, yet I don't actually have a lot of insight into that issue from the parties.

I think that there's good reason to require five days' notice if Mr. Pohl were to designate a disqualified lender, based solely on the fact that this is such a hot-button issue between the

parties. So I would ask that that change be made in a proposed order. I'll let the parties work out the language.

Despite agreeing that a status quo order is necessary, the defendants do make some arguments against the elements of entering that relief and, in particular, the reasonable likelihood of success. To me, these concerns actually come home to roost in considering whether the case schedule should build in time for the defendants to assert those issues on a motion to dismiss.

Those issues include whether a forum selection clause in the underlying loan agreements can divest this Court of its *in rem* statutory jurisdiction and whether it's fairly read to bind GLAS; and the application of what I think is fairly nuanced New York law governing acceleration of forfeiture.

I don't think that there's much to be gained from carving those off and taking them up independently in the schedule. I think this company -- which is, after all, my paramount concern in a 225 -- is best served by getting this matter tried as quickly as possible, and those issues can be, of course, fully briefed and presented to the Court in

connection with trial.

The irreparable harm and balance of the equities components of entering a status quo order are pretty routine in a 225. We've got a Delaware entity in flux.

As to the balance of the equities, I think the parties have taken kind of an odd tack of trying to convince me of who is a better fiduciary for the company. I don't think the question at this moment is one of comparing the morals and qualifications of the erstwhile leaders. To me, I'm supposed to be thinking about keeping the company on an even keel, with as few transitions as possible and without the ability to make significant changes to the company until we resolve who is properly in the board seats.

So the status quo order will be entered with the modification that I've requested as to Section 5(j).

Expedition. As I hinted, the most equitable schedule will be to take this matter to trial within 90 days and the defendants' arguments on the merits can be presented at that time.

Mr. Cicero, I apologize for that. I

```
actually do care very much about your vacation.
 1
 2
    Summer is a tough time to be a Chancery attorney when
 3
    these types of things pop up. But I can't,
 4
    unfortunately, in this instance push back the
 5
    resolution of a 225 to accommodate that vacation.
 6
    am hopeful you'll be able to work something out with
 7
    your colleagues and your co-counsel and your client.
 8
                    That said, my July is pretty full with
 9
    other Chancery lawyers having terrible summers. I can
10
    offer you August 2nd or 3rd or 4th, is the closest
11
    that I've got. Hopefully, Mr. Cicero, that works out.
12
    And if it doesn't, hopefully you can find a way to
13
    still enjoy your vacation and make sure your clients'
14
    needs are met.
15
                    Any questions? Anything unclear,
16
    starting with Mr. Cicero?
17
                    ATTORNEY CICERO: The only question --
18
    and thank you. I appreciate the comments, Your Honor.
19
    I think those are the last few days of my vacation.
20
    I'll try to figure it out and we'll make it work.
21
                    The only question I have is with
22
    respect to your modification of 5(j) with the notice.
23
                    Are you still requiring -- so I think,
24
    broadly, it states that no affiliates, no -- I just
```

```
don't -- is there an ability to have a carve-out
 1
 2
    where -- the way I look at it is the parent quarantor
 3
    has a right, under the section that I noted -- I think
 4
    Mr. Czeschin disputed that, but I think there's a way
 5
    to deal with that. If we were to -- if the parent
 6
    quarantor were to disqualify a lender, there are
 7
    remedies for that that could be fought about in the
 8
    normal course.
 9
                    Are you suggesting -- are you ruling,
10
    pardon me, that the language should stay that it binds
    affiliates and parents?
11
12
                    THE COURT: What I am intending is
13
    that if Mr. Pohl, for Byju's Alpha, intends to
14
    designate a disqualified lender, that he must give the
15
    parties to this action five days' notice before it
16
    becomes effective, so that if there's a dispute about
17
    his authority to do so, you can come to the Court and
18
    we can get it sorted out.
                    ATTORNEY CICERO: Okay. But would it
19
20
    also -- and I just want to make sure I get this right.
21
    I've gotten off the phone before and we've had to put
22
    together a status quo order and I've missed things.
23
                    So it would preclude Think & Learn,
24
    for example, from making its own independent notice of
```

```
51
    disqualified lender? Is that what you're envisioning?
 1
 2
    I think -- that was my concern.
 3
                    THE COURT: And I'll hear from
 4
    Mr. Czeschin on this. I don't read 5(j) to say that.
    I read it to identify Think & Learn as a signatory to
 5
 6
    certain credit and guarantee agreements, and I don't
 7
    think that I have jurisdiction, in a 225, to tell
 8
    Think & Learn to do or not do anything.
 9
                    ATTORNEY CICERO: Okay. I --
10
                    THE COURT: Maybe I'm misunderstanding
11
    what Mr. Czeschin was intending.
12
                    ATTORNEY CZESCHIN: Well, if I may,
13
    Your Honor.
14
                    THE COURT: Yes.
15
                    ATTORNEY CZESCHIN: I think there are
16
    two points. I think that, at least in my experience,
17
    it has been common to have status quo orders apply to
18
    affiliates. And so, you know, frankly, we think this
19
    should apply to affiliates.
20
                    But even putting that issue aside on
21
    this disqualification point, the way it works under
22
```

this disqualification point, the way it works under the agreement, my understanding is Think & Learn would be purporting to submit something on behalf of Byju's Alpha, and it shouldn't be able to do that at this

23

```
point because, you know, it's no longer under Think & Learn's control. It's under Mr. Pohl's control. So they should not be able to submit any form of notice on behalf of Byju's Alpha or in the shoes of Byju's Alpha.
```

THE COURT: Mr. Cicero.

ATTORNEY CICERO: We read it differently, Your Honor. And I didn't -- and part of this just needs to be -- we think needs to be heard in New York.

But we read that differently. We believe that the parent guarantor, who has guaranteed a lot of money here that has been borrowed, can provide -- it is irrevocably authorized to give these notices.

And I just wanted to make it clear, because I don't want to be in a situation where, if parent guarantor determines -- and I'm not saying they will -- determines that there needs to be a disqualification of a lender and sends it out in its own regard, that there's going to be a contempt motion coming my way. So I just want to be crystal clear about it.

THE COURT: I understand. One of my

```
goals when I enter these is, certainly, for the
 1
 2
    parties to know exactly what they can and cannot do in
 3
    view of potential contempt. And I don't think that
 4
    this issue has been fairly presented for me to go out
 5
    on that limb and make a determination as I sit here.
 6
                    What I would ask you to do is confer.
 7
    Maybe the stars will align and you'll come up with
 8
    some language that works for everybody. I know
 9
    there's good counsel on this call that can maybe make
10
    that happen.
11
                    If you can't, please just send me a
12
    letter brief and your proposed status quo order so
13
    that I can make sure that I understand all the nuances
14
    of this issue. It's obviously very important to you
15
    all.
16
                    ATTORNEY CICERO:
                                       Thank you.
17
                    ATTORNEY CZESCHIN:
                                         Thank you, Your
18
    Honor.
19
                    THE COURT: Thank you.
20
                    Any other questions?
21
                    ATTORNEY CZESCHIN: I have no
22
    questions, Your Honor.
23
                    THE COURT: All right. Thank you very
24
           I will ask Ms. Simeone to reach out to schedule
    much.
```

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54
 1
    trial, and I will be looking for hopefully just one
 2
    proposed order, but if not, two.
 3
                      Thank you.
 4
              (Proceedings concluded at 4:21 p.m.)
 5
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 9
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18
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55 1 CERTIFICATE 2 3 I, JULIANNE LaBADIA, Official Court 4 Reporter for the Court of Chancery of the State of 5 Delaware, Registered Diplomate Reporter, Certified 6 Realtime Reporter, and Delaware Notary Public, do 7 hereby certify the foregoing pages numbered 3 through 8 54, contain a true and correct transcription of the 9 proceedings as stenographically reported by me at the 10 hearing before the Vice Chancellor of the State of 11 Delaware, on the date therein indicated. 12 IN WITNESS WHEREOF, I have hereunto 13 set my hand at Wilmington this 22nd day of May, 2023. 14 15 16 17 /s/ Julianne LaBadia 18 Julianne LaBadia Official Court Reporter 19 Registered Diplomate Reporter Certified Realtime Reporter 20 Delaware Notary Public 21 22 23 24

EXHIBIT 29

1		TATES BANKRUPTCY COURT	
2	DIST	FRICT OF DELAWARE	
3	IN RE:	. Chapter 11 . Case No. 24-10140 (JTD)	
4	BYJU'S ALPHA, INC.,		
5		Courtroom No. 5824 North King Street	
6	Debtor.	. Wilmington, Delaware 19801 .	
7		. Monday, February 5, 2024 3:00 p.m.	
9	BEFORE THE	T OF FIRST DAY HEARING HONORABLE JOHN T. DORSEY FATES BANKRUPTCY JUDGE	
10	APPEARANCES:		
11	For the Debtor:	Robert S. Brady, Esquire	
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25	Proceedings recorded by electronic sound recording, transcript produced by transcription service.		

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17		
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1		INDEX	
2	MOTIONS	:	PAGE
3	Agenda	Debtards Mation for Entry of Interim	2.0
4	and Con Pre Aut Che Tem of Cod	Debtor's Motion for Entry of Interim and Final Orders (I) Authorizing Continued Maintenance and Use of	38
5		Prepetition Bank Accounts, (II) Authorizing Continued Use of Existing Checks and Business Forms, (III) Temporarily Waiving the Requirements of Section 345(b) of the Bankruptcy Code, and (IV) Granting Related Relief	
6			
7			
8		[Docket No. 4]	2.0
9		Court's Ruling:	39
LO	Agenda Item 5:	Debtor's Motion for Entry of Interim	39
L1		and Final Orders (I) Authorizing the Use of Cash Collateral, (II) Authorizing	
L2		the Debtor to Obtain Post-Petition Financing, (III) Granting Senior	
L3		Post-Petition Security Interests, and According Superpriority Administrative	
L 4		Expense Status Pursuant to Sections 364(c) and 364(d) of the Bankruptcy Code, (IV)	
L5 L6		Granting Adequate Protection, (V) Modifying the Automatic Stay, and (VI) Granting Related Relief [Docket No. 5]	
L7			47
L / L8		Court's Ruling:	4 /
		TT ONG .	
L9	DECLARATIONS:		PAGE
20	1) Timo	thy R. Pohl	35
21			
22	Transcr	iptionists' Certificate	54
23			
24			
25			
	1		

(Proceedings commence at 3:01 p.m.)

THE COURT: Good afternoon. This is Judge Dorsey. We are on the record in BYJU's Alpha, Inc., Case No. 24-10140, first day hearing.

I will go ahead and turn it over to debtor's counsel.

MR. BRADY: Good afternoon, Judge Dorsey. Robert Brady of Young Conaway, proposed counsel for the debtor.

Can you hear me okay?

THE COURT: I can. Thank you.

MR. BRADY: First, we would like to thank the Court, as always, for scheduling us today on our request for initial relief. On the Zoom with me I am joined by my partner, Ken Enos, and then Susheel Kirpalani, Ben Finestone, and Daniel Holzman from Quinn Emanuel. Also on the Zoom is the debtor's sole director and officer, Timothy Pohl. He was the declarant for the first day declaration.

Your Honor, we have been working with Ms. Casey from the Office of the United States Trustee and we, as always, thank her for her work with us on the forms of order to the two first day motions. We are pleased to report that we have resolved all of her issues and those resolutions are reflected in the revised forms of order that were filed this morning.

So, with that, Your Honor, if acceptable to the

1 Court, I will turn the virtual lectern over to Mr. Finestone 2 who will make the debtor's presentation to the Court, explaining how the debtor got here and what we hope to 3 accomplish. I think after that we will hear from counsel for 4 5 the agent for the lenders and then I expect others will want 6 to address the Court and then after that Mr. Enos will 7 present the two first day motions that are on the agenda. 8 THE COURT: Thank you. Mr. Finestone. 9 MR. FINESTONE: Thank you, Your Honor. Its Ben 10 Finestone from Quinn Emanuel, proposed counsel to the debtor 11 and debtor-in-possession. 12 Your Honor, can I ask that permission be granted to my colleague, Ms. Botvinnik, Christine Botvinnik, so that 13 she can share a relatively brief presentation that we have 14 15 prepared for the Court. 16 THE COURT: Can you raise your hand? It is easier 17 to find you on the screen so we can give you permission. 18 There she is, she turned her camera on. 19 MR. FINESTONE: The virtual hand raise, Your 20 Honor. There we go. 21 THE COURT: 22 UNIDENTIFIED SPEAKER: Your Honor, I believe it 23 states that the host disabled screen share. 24 THE COURT: Yeah, that is what we are trying to

25 | figure out here. You should have it now.

MR. FINESTONE: Thank you, Christine.

So, Your Honor, this is a -- there's 22 pages to this PowerPoint, but when you take out the table of contents and other dividers like that it's just a 15-page presentation.

Christine, if its -- can you go to page -- can you flip the slide to page 2? Thank you.

Your Honor, really what I want to do here is just go through the prepetition background. Its not a protracted prepetition background, but it is ostensibly complex. I think it will help orient the Court. We will then stop as of the petition date, take a free snapshot of what the debtor is — of what its capital structure looks like on the petition date, what assets it has or doesn't has as of the petition date and then what I would like to do is just describe for you, Your Honor, what this debtor—in—possession views as its outlook for this Chapter 11 case.

Christine, can you flip to the next page, please. And then the next page. Thank you.

So, Your Honor, BYJU's Alpha, which I will refer to as the debtor today so as to not confuse it with all of the other BYJU's entities, it's a Delaware corporation. It is a single purpose financing vehicle and it was established by its ultimate former parent company, Think & Learn. Think & Learn is a global EdTech company that was founded back in

2011, Your Honor, by an individual named Byju Ravindran.

Our debtor, BYJU's Alpha, was established much later. It was established in 2021 for one purpose. It was established for this Think & Learn conglomerate to access the US capital markets; specifically, as I said, through a Delaware corporation.

Initially, Your Honor, our debtor had one director and one officer and his name was Riju Ravindran. That is the brother of the founder of the overall enterprise, Your Honor. As I said, this debtor was established to access the Western capital markets and that is exactly what it did.

On November 24th, 2021, after being established, say two months earlier, Your Honor, it borrowed \$1.2 billion by issuing some syndicated term loans under a credit agreement and in that credit agreement, and that is GLAS that Your Honor has probably seen in other Chapter 11 cases, serves as administrative agent for what the debtor believes to be more then 100 different lenders holding those term loans, Your Honor.

Within months of the issuance of those term loans, Your Honor, there were defaults. And ultimately, I am going to jump ahead, but just to sort of give Your Honor some sense of who controls this debtor right now ultimately those defaults, after a protracted period of workout negotiations, resulted in these lenders enforcing rights and remedies and

replacing BYJU's brother, Riju, with Mr. Tim Pohl. And as we stand here today, Your Honor, and since March 3rd, 2023 this debtor still only has one employee, still only has one officer, and still only has one director, but its Tim Pohl since March 3rd, 2023, Your Honor.

Christine, can you turn the page.

(Indiscernible) parties that we are aware of now, Your Honor. I addressed the debtor, BYJU's Alpha; that is the Delaware corporation that issued the \$1.2 billion in term loans. I addressed Mr. Pohl, he is our sole director and officer. He has been there since March of 2023. I addressed GLAS, they are the administrative agent for all the lenders. They are represented by Kirkland & Ellis, Pachulski Stang, and the Reed Smith Law Firm, Your Honor.

Think & Learn that is the overall enterprise, former affiliates of the debtor, Your Honor. Maybe today I will refer to them as the BYJU's enterprise, but I am going to try really hard to refer to them as Think & Learn just to keep that label distinct from the debtors, Your Honor, so as not to confuse things. In various prepetition litigation, Your Honor, they have been represented by Kasowitz Benson.

Next are the two brothers that I called out before. Byju is the individual who founded this entire enterprise back in 2011 and here is his brother again, who Mr. Pohl replaced back in March 2023.

Camshaft Capital Fund, Your Honor, I am going to hold the Court in a little bit of suspense for that fund. I can tell you this, that nobody thought that Camshaft Capital Fund should be a key party in interest in this bankruptcy case when these term loans were issued back in 2021, Your Honor, but they are now the party in interest in this bankruptcy case. They are a named defendant in the adversary proceeding we commenced contemporaneously with the filing of the voluntary petitions.

Christine, can you flip the page please.

So, Your Honor, this page is called "Events of Default." Your Honor may be thinking, Mr. Finestone, why are you talking about events of default under a credit agreement, didn't the debtor just file a voluntary petition on Friday and doesn't bankruptcy, as a legal matter, accelerate all of debt irrespective of whether or not there have been prior events of default or not. Its not usually something I, as a bankruptcy Judge, have to really get into and that is a good question in most cases, Your Honor.

The reason why we are going to briefly address the events of default here, and as early as slide six in this presentation, Your Honor, there are parties out there, there's already been an objection filed on Your Honor's docket, that is going to seek to undo the corporate governance of this debtor-in-possession. And to be clear,

they want to undo the corporate governance not to step in and seek to avoid and recover fraudulent transfers; they want to undo the corporate governance because they no longer control this debtor and they don't want the fraudulent transfer claim to be pursued.

The way, Your Honor, that their challenging Mr. Pohl's role as corporate governor and the way that they have already threatened to challenge the pendency of this Chapter 11 case is to attack the events of default. Your Honor, I am not going to take the Court's time and go into the merits or the specifics of the events of default unless the Court has questions, but I want to point out three objective facts about them, Your Honor, which really, I think, lead to the inescapable conclusion that these defaults are as solid as they can get.

Your Honor, point number one, and these the bottom three bullet points on this slide, the BYJU enterprise, including this debtor under prior management, acknowledged and agreed to these defaults over and over again. It called these defaults specified defaults. They acknowledged and agreed that they exist and they acknowledged and agreed that the lenders were entitled to enforce rights and remedies. So, that is objective fact number one which is that the borrower parties, as parties often do in forbearance and amendment negotiations, acknowledge the events of default.

If that weren't enough, Your Honor, I am going to fast-forward a little bit and I will fill in the interim, but if that weren't enough Vice Chancellor Zurn, at the Delaware Court of Chancery, held a trial in August of 2023 and Her Honor issued a ruling in November of 2023 that had, at least, two holdings in it, Your Honor:

One, Mr. Pohl was validly appointed as replacement sole director and officer. Two, at least one of these four specified defaults, the failure of the borrower entities to produce a guarantee it promised it would produce, was a legitimate and valid event of default.

To be clear, Vice Chancellor Zurn didn't reach the other three defaults just because it was unnecessary. So, we got the borrower's agreement, we have got Vice Chancellor Zurn's ruling, which is unstayed, Your Honor, they didn't seek to stay it. I only say that, Your Honor, so that Your Honor is comfortable that it is the law of the land, when Mr. Pohl filed these voluntary petitions on Friday, that pursuant to Vice Chancellor Zurn's ruling that he is validly in place as the legitimate independent corporate governor of this debtor-in-possession. There is nothing that can be questioned about the corporate authority that was exercised in filing these petitions, Your Honor.

Now I promised the Court a third objective fact and its not on this slide, but I do want to emphasize it.

Your Honor, for the last 10 to 12 months, prior to the filing of this petition, this debtor hasn't made any interest payments. So, even if all of these specified defaults that have been agreed to and that Vice Chancellor Zurn found at least one of which was legitimate, even if they didn't exist or even if hypothetically Vice Chancellor Zurn made a bad legal error, something that we can't wrap our heads around, there's been a series of payment defaults because no interest payments were made.

I want to make one editorial comment about that. The reason interest payments weren't made, it's not because Mr. Pohl was installed and Mr. Pohl was installed and said I've got money and I don't want to make these interest payments because I want to end up before Judge Dorsey 10 to 12 months from now; no, Mr. Pohl didn't have the money, Your Honor, because all of the loan proceeds that everybody expected to be there when Mr. Pohl was appointed have been fraudulently transferred away. They didn't have the cash.

So, Mr. Pohl wasn't able to make interest payments and more importantly, Your Honor, the people that are going to challenge this bankruptcy case they are the ones that they have been saying in the public that are actually in possession and control of this cash and they had the ability to make the interest payments if they wanted to make them.

If they really believed in the merits of their appeal they

could have continued to service the debt because hypothetically if they get a reversal they don't want this company to be in a payment default, but they didn't make those payments, Your Honor, and that is really the third objective fact without getting into any of the events of default. That is why the corporate authority is firm and why the appeal that they want to press, notwithstanding the automatic stay, is really moot as a practical matter because if the specified defaults were mistaken the payment defaults cannot be cured.

Christine, can you please flip to the next page.

So, Your Honor, I reference the fact that before Mr. Pohl was appointed the lenders, we understand, were involved in protracted workout negotiations. Those failed. Mr. Pohl was appointed March 2023. Prior to the time that Mr. Pohl was appointed the lenders were receiving piecemeal financial reporting that indicated a significant amount of money on the balance sheet.

And when I say balance sheet the reporting didn't just suggest or report that this significant amount of money was on a consolidated balance sheet, no. These borrowers were representing that it was cash held and owned by this debtor, BYJU's Alpha, in cash and bank which, obviously, to anyone who is skilled at reading financial statements, understands to mean BYJU's Alpha had a significant amount of money.

because those reporting — those reports were given to the lenders and even to Mr. Pohl on March 15th after he was appointed pursuant to confidentiality agreements, but I am comfortable just saying to Your Honor that it was a significant amount of cash and when we subsequently talked about what this debtor—in—possession has already comfortably alleged to be a fraudulent transfer, its about the same number, Your Honor.

So, Mr. Pohl gets appointed, he is immediately looking for the cash that he is even being told is there. He can't find it. What are the first things that Mr. Pohl does in furtherance of his fiduciary duty is he sends letters out to all of the financial institutions in the country. GLAS, for its part, is doing the same thing. They are the derivative pecuniary stakeholders after all. None of those financial institutions come back to us and say that money you are looking for we have it in an account in your name.

Debtor's former management, who was threatening to challenge this bankruptcy, they are refusing to recognize the exercise of remedies in Mr. Pohl's status as corporate governor, Your Honor.

So, Mr. Pohl does something that Delaware makes available for situations just like this. He commences a Section 225 action under general Delaware corporate law and

that is the action that was pending before Judge Morgan Zurn that I referenced earlier. He commenced that action on May 3rd, Your Honor, and as I said, to jump to the punchline which I have already unveiled, on November 2nd, 2023, after a trial in August, Judge Zurn ruled in Mr. Pohl's favor.

Christine, can you flip to the next page.

March 3rd -- May 3rd, sorry, Your Honor, was when the 225 action was commenced. May 8th, five days later, perhaps in response to the commencement of the 225 action, Mr. Byju Ravindran, the overall founder of the overall enterprise, was on the phone with a representative for the lenders and he said the money is some place that the lenders will never find it.

Now, its an alarming statement in and of itself, but if I just stop there and I don't underscore the fact that its alarming in and of itself, its completely inconsistent with the financial reporting that said this amount of money was in cash and bank attributable to the debtor's soon to be debtor-in-possession.

Christine, can you flip the page.

A couple of weeks later Judge Zurn enters Her
Honor's first order. Its an interim order, Your Honor,
because the trial doesn't take place until August. Judge
Zurn looks at the papers, sort of almost like a TRO or a
preliminary injunction type procedure, and says I am going to

enter this interim order. And until we get to trial everybody needs to treat Mr. Pohl as having -- everybody has to afford Mr. Pohl access to and exclusive control over the accounts...etc., of this debtor, Your Honor. He needs to be able to have access to everything that is necessary for him to perform his role as a sole director and officer of the company. If we have our trial in August and we find out that Mr. Pohl was invalidly appointed we can undo that, but for now he has got to have access.

So, Mr. Pohl, with the benefit of that interim order, we again approached Mr. Ravindran, who was the former director and officer, and we say, please, give us information on the bank accounts. He provides us three bank account numbers, Your Honor. We look at them, we find about half a million dollars. That is nothing in relation to the half a billion dollars that we expected to be there. And those were the only three bank accounts that were provided to us.

Mr. Pohl, diligent corporate governor, continues to do his own investigation, with the help of counsel, to uncover an investment account which was not one of the accounts that Mr. Ravindran provided to us. Once we found the existence of this investment account we could start to trace through the cash transfers that this debtor had engaged in and we found something very alarming, Your Honor; a series of transfers, which I will show in the next slide, its not

that many, that quickly add up to \$533 million to a hedge fund called Camshaft Capital Management.

Christine, can you flip.

This is a boring slide, Your Honor, but this is the series of transfers. I point it out to Your Honor just to show we are really talking about three lumpsum transfers in April and July of 2022. This was after, Your Honor, that the factual underpinnings of, at least, two of those events of default had occurred.

Christine, can you flip to the next page.

So, Your Honor, I am not going to attack Camshaft. I will save that for the litigation. Let me just say, Your Honor, that Camshaft is not Vanguard, Camshaft is not BlackRock, they are not Fidelity Investments. Camshaft, we find out, is a Miami based hedge fund run by William Morgan who is a gentleman in his young 20's without any reported formal training.

In the initial report to the SEC the headquarters, the location of business of Camshaft, is identified at a place where there has been an IHOP for as long as we can see. And just to clarify -- it was funny, Your Honor, I had an associate drafting this presentation for me and I kept seeing IHOP and the I was lowercase, iHOP, and the hop was capital. This is not to be confused with iPad or iPhone. This is, in fact, an International House of Pancakes, Your Honor.

Christine, can you flip to the next page.

Your Honor, Camshaft, this is the entity that the debtor transferred more then half a billion dollars too. We did more research upon them. We find out that their overall assets under management is being reported as \$595 million. So, it doesn't take anyone to be much of a mathematician to know that \$533 million is a significant, significant percentage of the overall assets under management. That caused the lenders and Mr. Pohl more concern that this money is not in a comfortable place.

We also studied that Camshaft's strategies, Your Honor, are high risk trading strategies: leveraging, short selling, liquid securities, derivatives. I will put it this way, when Mr. Brady started and he thanked the U.S. Trustee for his comments, and I will also just second that, thank you to the U.S. Trustee for working with us in preparing for this bankruptcy filing, Camshaft is, sort of, the opposite of a Section 345 qualified place for the debtor's cash to be. This is not a comfortable place for \$533 million to be, but it gets worse, Your Honor.

Christine, can you flip to the next page.

The reason it gets worse, Your Honor, is that when we first found out that the money was transferred to Camshaft at least as was being argued to us by the BYJU's management, former management, there was a matching asset. At least they

could say, well, we took the company's \$533 million, but you have got a limited partnership in this Camshaft and maybe

Camshaft is going to do amazing things with your money. That wasn't good enough for our lenders. They commenced the state law fraudulent transfer action in Florida State Court, Your Honor. They sought to avoid those transfers under Florida's enactment of the Uniform Fraudulent Transfer Act.

In the course of that litigation, Your Honor,
Camshaft responds and says lenders this action is invalid
because it's not your money, its BYJU's Alpha money. So, you
need to bring in BYJU's Alpha as a necessary party to this
litigation. Okay. Well that is slightly comforting that, at
least, Camshaft is acknowledging that its our money, the
debtor's money, Your Honor.

Then there is a turnaround, there is a violent turnaround and all of a sudden on December 4th, after Camshaft telling that Florida State Court that it was the debtor's money, Camshaft responded to our request for books and records and says, no, you are not going to get any books and records because you have no limited partnership interest and then they commenced the litigation on the same date making a declaratory judgment that the debtor has no interest in Camshaft.

So, just to stop right there, I said it gets worse. It's one thing to take our cash and invest it in a

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Stop there.

place that, in our mind, no reasonable businessman would 1 invest in, but it's another thing to do that and then transfer for no consideration the limited partnership 3 interest in Camshaft. The debtor is left with nothing, Your 4 5 Honor, and we have been told the opposite of what has been 6 true.

Christine, can you flip the page please.

This is just, Your Honor, the different allegations that Camshaft made in the Florida -- in the two pieces of Florida litigation, one saying its BYJU's Alpha's money, our debtor's money, and then, two, saying, no, the debtor doesn't even have a limited partnership interest in Camshaft. You don't even have a right to books and records. Christine, can you flip to the next page. Okay.

It's the cleavage date, it's the petition date. Your Honor, we filed this bankruptcy case because those funds have to be avoided and recovered for the benefit of RSP, derivatively for the benefit of our creditors.

Can we go to the next page, Christine.

I referenced, Your Honor, a series of a prepetition litigation and I just want to call them all out for purposes of orientation. First action is the fraudulent transfer action that I referenced. GLAS commenced it on behalf of the lenders under state law fraudulent transfer,

Camshaft and affiliates on the defendants. This one, of course, is stayed upon our filing of the bankruptcy petition because it is now our charge to pursue the avoidance and recovery of fraudulent transfers under Chapter V. That action was stayed pursuant to 362, Your Honor.

Second action is Camshaft v. BYJU's. That is that action that really shook everybody when Camshaft filed another action in Florida State Court saying you, debtor, don't even have a limited partnership interest in Camshaft. That action is also stayed, Your Honor, because it is an action against the debtor under 362. It also probably, as an alternative, should be stayed because its seeking a ruling as to what is property of this debtor's estate and in our view that falls within Your Honor's exclusive jurisdiction.

The third action, Your Honor, is the appeal of the Delaware Chancery Court Section 225 action. That is pending before the Delaware Supreme Court. That is stayed pursuant to the automatic stay because its an action against the debtor-in-possession, Your Honor. And we view it as not only meritless, but practically moot for the reason I said earlier, Your Honor, because there has been a series of payment defaults following the specified defaults which are the subject of this appeal.

The last action -- I know I am dropping a lot on Your Honor, I just want to be complete. The last action is an

action that the non-debtor BYJU's commenced against GLAS and some other lenders during the pendency of the Delaware Chancery Court action and they commenced this action in New York State Court really seeking a collateral ruling, Your Honor. The Delaware Chancery Court was pending, they commenced this action in New York State Court seeking a ruling that the events of default were illegitimate and invalid.

The action hasn't really proceeded far, it's not against the debtor. So, it is not of the view that Section 362 automatically stays this action, but it may threaten our attempts to prosecute a plan, Your Honor, because it also seeks to challenge the legitimacy and disqualify as many of our lenders who we would need to negotiate with. That is just a placeholder.

Christine, can you flip the page.

So, Your Honor, its actually a pretty simple capital structure. The term loan that I referenced is about \$1.2 billion. I am rounding up. There was a quarter -- there was about \$267 million of accrued interest as of the petition date. It also includes a premium, Your Honor. And there was also a bridge loan that these lenders provided to us prior to the bankruptcy case so that we could prepare for the bankruptcy case and so that we could be prepared to fund this bankruptcy case. It was the product of the negotiations

that we had with DIP financing.

Not the full \$5 million has been funded, but those are the same lenders, Your Honor, that were holders of the term loans. I said before, Your Honor, we believe that there is more then 100 distinct lenders of record in this facility. We have also said, Your Honor, and we are not trying to hide this fact, we don't know whether we have other creditors other then these 100 term lenders. Certainly possible.

Mr. Pohl has been frustrated in his attempts to learn everything he can and to access all of the books and records of this debtor. There may be other creditors. It's another benefit of this bankruptcy case that the creditors will be on notice and they can come into this collective action and assert claims that they exist, Your Honor.

Christine, can you flip to the next page.

Mr. Pohl is the sole director, officer, and employee. I referenced the bridge account and I also referenced, Your Honor, Mr. Enos or Mr. Brady will prosecute this, we have a cash collateral motion on file. The motion, itself, is also a motion for DIP financing, but we are not seeking approval to enter into or draw any DIP financing on an interim or on an emergency basis. We will only be asking Your Honor to schedule a final hearing for that.

Christine, can you flip. One more time.

Last slide, Your Honor. So, Chapter 11, Your

Honor, it's got a lot of benefits for us. We spent a long time discussing this, Mr. Pohl with counsel. We spent a long time discussing this with our lenders as well, Your Honor.

First and foremost, the pursuit of the fraudulent transfer action. We're an SVB. Those \$533 million of loan proceeds should not have been transferred out after these events of default existed and it certainly should not have been transferred out for no consideration and it certainly should not have been transferred out to a hedge fund that resides in IHOP, Your Honor. That is business number one and that is why we made sure to commence that action contemporaneously with this petition.

We believe Rule 2004 will be helpful to us, Your Honor. Based upon all the inconsistent things that have been said to us about where that cash is we have been told Camshaft has it. We have been told we are the beneficiary of it. We have been told other affiliates have it. We even said it exists. We have told its in some offshore subsidiary. We don't know where it is. We believe, and I think all of us would bet a lot of our personal funds, there are subsequent transferees of this cash. That is one benefit of Rule 2004.

More importantly, we have got co-obligors. We have got former brothers and former sisters who also chose or who don't have the ability to have made a payment on any of

the debt that we are on the hook for and we need to figure this all out. So, that is, sort of, Chapter 11 initiative number two, Your Honor.

Three and four I will just merge together as we uncover facts, based upon what we think to be rather alarming backdrop, we may have other actions to bring, Your Honor.

Finally, prosecution and confirmation of a

Chapter 11 plan. We want to get proceeds back. We want to

distribute them to creditors. Chapter 11, as Your Honor

knows, can be a good vehicle for that. That is our view,

Your Honor.

I will stop there, of course, to answer any questions the Court has. But in terms of the agenda, Your Honor, we have got a very modest cash collateral motion to prosecute. I think we are seeking \$75,000 of authority to get us to the final hearing. Then we have got a similarly modest cash management motion to prosecute in which we are really seeking the authority to open up new accounts for two reasons. That bridge loan I referenced the funds are still in an account.

At GLAS we would like to bring them into a new account where Mr. Pohl can have complete control over them, but also, Your Honor, there's three other accounts that have something nominal in there like \$20,000. And we have great concerns that the debtor's former management, the BYJU's

enterprise, still has ways to access and actually make withdrawals from those accounts. So, we have moved the cash into a place that is safe. I think we have satisfied the U.S. Trustees concerns in that regard.

From that respect, Your Honor, it's a relatively modest agenda. The Chapter 11 case at a higher level, as you can tell, and thank you for letting me give this presentation, it raises a lot of serious issues, and we, on behalf of our lenders, want to work with haste to seek to undo some of the damage that has been done to this debtor, Your Honor.

THE COURT: Okay. Thank you.

Only one question at this point. I was looking at the docket before we started today. I saw that there was a notice filed that an adversary proceeding was filed under seal, but I didn't see the sealed adversary proceeding.

Has it actually been filed yet?

MR. FINESTONE: Well, let me answer in substance and then if Your Honor has a question, then I'll come back to technicalities. But I know that in the first instance, we filed a completely redacted or sealed complaint. We, subsequently, Your Honor, filed a redacted complaint, which has a very, very small amount of redactions, so I believe they've both been filed. I think they're on the adversary proceeding docket, not on the main Chapter 11 docket. Maybe

that complains -- maybe that answers Your Honor's question. 1 2 Mr. Enos, anything you can help the Court with on that? 3 MR. ENOS: Good afternoon, Your Honor. Ken Enos, 4 5 Young Conaway Stargatt & Taylor, on behalf of the debtor. 6 I can confirm that the adversary proceeding, in 7 fact, has been commenced and a summons was issued on Friday. 8 In addition, there was a copy -- I don't know if the Court had a chance to see it -- there was a copy of the adversary 9 10 complaint in the materials that were sent over to chambers as a related pleading for today's hearing. 11 12 THE COURT: All right. Thank you. MR. FINESTONE: Okay. Thank you, Your Honor. 13 Christine, you can take down the presentation. 14 15 THE COURT: All right. I know there was an objection filed, but it was really an objection to the relief 16 17 being requested. 18 Is there anyone else who wants to be heard, other 19 than the objectors, because I'll deal with that when we get 20 to the objection? 21 MR. SCHARTZ: Hi, Your Honor. It's Brian Schartz 22 from Kirkland & Ellis on behalf of GLAS, the agent. Can you hear me okay? 23 24 THE COURT: You're a little -- maybe I can turn 25 the volume up a little on my end.

Can we turn it up a little? I'm having a hard -MR. SCHARTZ: I'll speak up, too.

How about that?

THE COURT: That's better.

MR. SCHARTZ: Okay. All right.

Very quickly, as Mr. Finestone said, we represent GLAS, as the agent on the syndicated loan that's, by far, the debtor's largest creditor -- maybe it's the only creditor; we don't know -- with over \$1.4 billion outstanding. The agent also owns the equity interests of the debtor. It's a situation you admittedly don't see every day, but I think it's a reflection of how dire this situation really is.

Your Honor, we just rise to say a couple things. Number one, this case is vitally important to the agent and the lenders. They've been living with a loan that has been in default for more than 14 months. As you've heard, numerous defaults, including failure to pay significant interest and Aramor payments (phonetic) over the last 10 months, and the agent is broadly seeking, tasked with ensuring that the lenders' rights are protected in the circumstance of the defaulted loan.

And this case is very important from the perspective of that goal, but also it's part and parcel of a worldwide enforcement strategy that we would like you to be aware of, the whole goal, which is to maximize the value of

the debtor -- the lenders' recovery.

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I want to emphasize, Judge, that, you know, we never want to find ourselves in a litigation or enforcement 3 posture. The agent, the Ad Hoc Group of Lenders have worked 5 for 17 months trying to find a way out of the situation. 6 They've negotiated extensively with the controlling insider, 7 Mr. Byju Ravindran and his various agents and advisors to find a solution. And we did that even after we exercised remedies. We did it during the course of the Delaware 225 litigation. We tried to do it even after we won the 225 litigation in front of Vice Chancellor Zurn. 11

I will add, Judge, one of the most important findings we think, in addition to what Mr. Finestone talked about in terms of the Delaware Chancery Court is that Vice Chancellor Zurn found that, quote:

"That the repeated forbearance reveals the lenders were patient with the loan partners."

We've tried to find peace. We've tried to have a real negotiation, Your Honor. That's what Kirkland & Ellis is all about, frankly. But the funny thing about negotiation, Judge, is that it requires counterparties who are willing to engage in good faith to secure a real resolution.

And the sad thing about this case, Your Honor, is that the agent and lenders now understand that we don't

really have that counterparty. We've dealt with months of a steady stream of false promises, false starts, missed deadlines, misleading press releases, stale or incomplete information, outright lies, and frivolous litigation threats. After all of that, we now understand that we have the choice to fight for our recovery and that's what we're going to do.

Our primary goal here, Judge, first and foremost, we have to find out where the \$533 million in cash has gone. Where is it? How much has been spent? And by whom? Mr. Byju Ravindran, himself, as you heard, previously said that it was someplace the lenders will never find it.

Well, Judge, we are here to prove him wrong. We intend to help Mr. Pohl and the debtor's counsel find that money and, frankly, we won't stop until we get as much of it back as possible to the debtor, where it rightfully belongs. We feel that Mr. Ravindran believes the rules do not apply to him. We're here to show him that they do.

And this case isn't about just recovering the \$533 million; it's about a whole host of other claims that Mr.

Pohl identified and talked about in his first place -- in his first day declaration, excuse me. As he's mentioned, we now believe that there are colorable claims against the debtors' former management and other decision-makers. Mr. Pohl identified in his first day declaration hundreds of millions of dollars of transfers to other parties, other than

Camshaft, for which there's been no explanation. We, frankly, are thrilled that Mr. Riju Ravindran, Byju's brother, has appeared in this court through counsel, because we firmly believe he has a lot of explaining to do for his own actions while he was in control of the debtor.

To bring all of this together, Judge, the various claims and related issues regarding the now-defaulted loan, should not be pursued in piecemeal in a mishmash of different forums. We have a tool to consider them in Chapter 11 and we should use it. This is not a waste of judicial resources, gamesmanship or anything like that. It is exactly what the bankruptcy process is designed to handle.

Even more, Judge, while the objecting parties, if you saw their objection, might have believed and then (indiscernible) here, after I'm done talking, there is an emergency here. The agent and the lenders firmly believe that time is of the essence in the face of the likely dissipation of significant and liquid estate assets. This is not a fraudulent conveyance of the type that you see in large corporate matters; this is cash. Cash gets spent. We really need to find where it is and what is happening to it.

From a broad picture, Judge, I want to talk for just a second about steps that we've taken as the lenders -- as GLAS with the support of the lenders worldwide. When we wake up every morning, we check the news about this company,

the former brothers and sisters that Mr. Finestone represented and mentioned. It is very clear that the value of the lenders' collateral against the other entities, who are former affiliates of the debtor, they've cratered. That value has cratered.

And the information that comes out on nearly a daily basis is alarming. Several operational creditors have filed involuntary bankruptcy petitions against the parent company in India. It's (indiscernible) that real certainty exists as to whether it has an ability to continue as a going-concern. Just two weeks ago, the parent company announced an equity rights issued at a \$250 million evaluation. That is less than 2 percent of its peak valuation of \$22 billion from 2022. The CFO has resigned. The GC has resigned. All known independent board members have resigned. It's purported that thousands of employees are laid off.

These are critical issues to the agent and lender, Judge, because the term loan is guaranteed by those entities and their value is continuing to diminish, hopefully, not vanishing completely. Faced with this reality, in addition to this Chapter 11 case, the agent, with significant lender support -- we're talking to roughly 90 percent of the lenders on a weekly basis, if not a daily basis sometimes -- the agent has taken, or is expected to take various steps beyond

this case, but we've all pulled together.

In Singapore, we exercised the contractual remedy in the loan documents that allow GLAS to appoint receivers over the assets of the debtor's former immediate parent and one of its loan guarantors, Byju's Pte. and Great Learning, respectively. Again, the lenders are working with the receivers and existing managers to sell that business, the proceeds of which we hope will be used to pay down the loan or at least part of it.

In India, we, ourselves, GLAS, with the support of significant lenders, are launching a voluntary bankruptcy petition against Byju's parent about two weeks ago. We are looking to recover whatever value remains before it, too, vanishes.

In the United States, as Mr. Finestone referenced, there are guarantees from three former affiliates of the debtor and we're closely vetting next steps there, too, Judge.

In the media, Byju's has characterized the agreed and the lenders as overly aggressive. "Vulture funds" seems to be their favorite catchphrase, in addition to what you've already heard about Mr. Pohl not properly being in charge. With respect, that's all noise. We're not vulture lenders; in fact, a significant proportion of these lenders were lenders on day one. By our math, it's just over 60-something

percent were lenders on day one, so they're not vulture funds. They are par -- many of them are par lenders, looking to get a recovery.

And the first and most important question at the outset is: Where is the \$533 million? Any party that is unwilling to answer that simple question truthfully and immediately, we would submit, already has told you everything you need to know about their motives. And, Judge, we would urge you to help us do everything we can to find this money and bring it back into the estate as we move this bankruptcy case and the process that Mr. Finestone laid out. Thank you.

THE COURT: Thank you.

All right. Why don't we go to the motions and I'll hear the objection in connection with the motion that gets filed or gets presented.

MR. CHIPMAN: Your Honor, this is William Chipman on behalf of Riju Ravindran and Tangible Play, Inc. and, Your Honor, my co-counsel wants to address some of the issues that were raised by debtor's counsel and Glas' counsel in the presentation.

Would now be a good time for that, Your Honor?

THE COURT: I'll give them that opportunity in connection with their objection to the motions.

MR. CHIPMAN: Thank you, Your Honor.

MR. FINESTONE: Your Honor, Ben Finestone, Quinn

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    Emanuel, proposed counsel to the debtor.
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               Mr. Enos is going to handle presenting the motion,
   but what I'd like to do, Your Honor, before turning it over
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    to Mr. Enos is to move --
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               Mr. Enos, are we first -- is the agenda, first,
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    going to be cash collateral or cash management?
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               Forgive me, Your Honor.
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               MR. ENOS: It will be cash management.
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               MR. FINESTONE: Okay. Your Honor, if it's okay
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    with the Court, I would like to move paragraphs 90 to 101 of
    Mr. Pohl's first day declaration into evidence.
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               THE COURT: Why don't we just move the whole thing
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    in?
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               MR. FINESTONE: Yep. It's easier. I was going to
    come back on the second motion.
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               Your Honor, we'd move for the submission of
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   Mr. Pohl's declaration into evidence, Your Honor.
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               THE COURT: All right. Is there any objection?
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          (No verbal response)
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               THE COURT: The declaration is admitted, without
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    objection.
22
          (Pohl Declaration received in evidence)
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               MR. FINESTONE: Thank you.
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               Mr. Enos will present the motion, Your Honor.
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               THE COURT: Thank you.
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Mr. Enos, you're going to have to either speak up 1 2 or do something with your Mr. Finestone, because you're very difficult to hear. 3 4 MR. ENOS: Okay. Your Honor, I will do my best. 5 Can you hear me okay? THE COURT: I can hear you, but it's very, very 6 7 soft. Can you turn up the microphone on your computer, 8 perhaps. Maybe you need to increase the volume on the microphone. 9 10 MR. ENOS: Is that any better? THE COURT: Not really. 11 12 (Laughter) 13 MR. ENOS: I do not know how I can make this thing better. I will, if the Court will indulge me, I will walk 14 15 down to Mr. Brady's office in 30 seconds and handle these 16 from there if that's okay with the Court? 17 THE COURT: No, that's fine. I can hear you okay. 18 I'm just going to have to strain a little bit. 19 Go ahead. 20 MR. ENOS: My apologies, Your Honor. There was a 21 technology upgrade this morning that apparently I did not 22 upgrade it correctly, I suppose. 23 In any event, Your Honor, before I get started, I noted that Ms. Casey had her hand up for a while. It's now 24 25 I don't know if she needed to address the Court or

not. So, before I start, I just wanted to begin with her. 1 2 THE COURT: Ms. Casey? MS. CASEY: Good afternoon, Your Honor. Linda 3 Casey on behalf of the United States Trustee. 4 5 I had raised my hand when you had asked if anybody 6 else had anything else to say in general, as opposed to 7 objecting. The United States Trustee has worked out all of 8 our issues on the first day pleadings. We do note that the debtor's declaration indicates that they do not have access 9 10 presently to the books and records and, accordingly, they don't know who their creditors are. 11 12 While we are not objecting to the entry of the first day orders, we do note that the debtors will have the 13 14 burden of demonstrating that the appropriate parties have 15 received actual notice for the relief sought and for the 16 final day, in particular, but without waiving any rights 17 whether a challenge period should commence prior to creditors 18 receiving notice of the bankruptcy or notice of the orders. 19 But as for today's purposes, we do not have any 20 objection. 21 THE COURT: Okay. Thank you, Ms. Casey. 22 MS. CASEY: Thank you. 23 MR. ENOS: Thank you, Your Honor. 24 As Mr. Finestone mentioned, we have a very short

slate of requests for the Court today and that is obviously

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largely because it's a nonoperating company. We do not need much relief. We need the ability to pay bills and pay fees and expenses that arise in the ordinary course.

Accordingly, Your Honor, we are seeking approval to use our existing bank accounts and open new bank accounts, as well as limited cash collateral relief so that we can pay whatever expenses may arise.

I'll echo the various statements that were made by Ms. Casey. We filed these pleadings on Friday. She promptly provided us comments and we were able to work those comments out over the weekend and those solutions were reflected in the proposed forms of order that were filed this morning.

Hopefully, Your Honor, those made their way to your desk, Your Honor, and you had an opportunity to review them?

THE COURT: I have, thank you.

MR. ENOS: Great.

So we're starting, first, Your Honor, with cash management. I guess we're calling this "cash management" but I think it's more just a bank account motion. The debtor has three bank accounts. I believe it was already represented there's somewhere around \$20,000 in those bank accounts. We wish to be able to continue to have access with those accounts in the interim period.

As Mr. Finestone mentioned, we're in the process

of obtaining new bank accounts with a different bank to hold the proceeds of the bridge loan, as well as the proceeds of the DIP financing, if it is approved. And importantly, the relief authorized by the interim cash management order both, gives us the ability to use those bank accounts, but also sets up, as is traditional, a process for opening new bank accounts.

So, Your Honor, I don't have much further on that.

Unless the Court or anyone else has any questions, we would request that you enter the interim order approving the continued use of debtor's bank accounts.

THE COURT: Okay. I have no questions.

Does anyone else wish to be heard?

(No verbal response)

THE COURT: I'm satisfied the requested relief is appropriate and I'll enter the order.

MR. ENOS: Thank you very much, Your Honor.

Turning to the DIP and cash collateral motion. At the outset, I would note that through the motion, the debtor is seeking approval of a \$260 million DIP facility -- twenty million of that is new money -- along with the use of cash collateral, in accordance with the budget.

Importantly, we are now only seeking -- today, we are only seeking entry of the interim cash collateral order and limiting the use of cash collateral to \$75,000. This was

an issue first raised by Ms. Casey and her point was that it's a nonoperating company. Do you really need unlimited use of cash collateral? And we agree with her, Your Honor, so we conferred internally, came up with \$75,000. We believe that's an appropriate and necessary number for us to continue to prosecute these cases and (indiscernible) to any expenses that may arise before we come back before the Court.

And, Your Honor, before I shift to, you know, the order and changes made to the order, I do not plan to address anything regarding the DIP financing, except to mention that as we note in the motion, no later than 14 days before the final hearing, we will be filing, at the very least, the DIP credit agreement, a proposed final form of order, a supplement to the motion, which we'll fill in certain of the information gaps that were included in the DIP motion that was filed. We'll also be submitting a declaration of Mr. Pohl.

So, Your Honor, turning to the order, I think after having made Ms. Casey's comments, it is one of the more routine and mundane cash collateral orders that will come before the Court. It already had the standard carve-out provision. We have since added a challenge period provision, as well as making a number of paragraphs in the interim order subject to that challenge period. In addition, Your Honor, we have struck the indemnification language.

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So, Your Honor, at this time, I would cede the podium to the objectors and anyone else that wishes to be heard, and I'd certainly be willing to answer any questions 4 that Your Honor may have. 5 THE COURT: Okay. Let me go ahead and hear from 6 the objectors. 7 MR. CHIPMAN: Good afternoon, Your Honor. William Chipman on behalf of Riju Ravindran and Tangible Play, Inc. 9 I think we're the objectors. Your Honor, we filed a preliminary objection to the cash collateral and DIP motion this morning. I hope Your 11 Honor has had a chance to review that objection? 12 13 THE COURT: I did, thank you. MR. CHIPMAN: Thank you, Your Honor. 14 15 Your Honor, before I get into our objection, I 16 think a lot of it has been addressed with comments from the 17 U.S. Trustee limiting the amount of cash collateral to 18 \$75,000. That's a welcomed development for us. 19 But before I turn to the remaining part of our objection, my co-counsel Mr. Sheron Korpus from Kasowitz 20 21 would like to address Your Honor regarding some of the 22 statements that were made in the debtor's opening 23 presentation. 24 If I may cede the podium to my co-counsel, I'd

appreciate that, Your Honor. You've already admitted him pro

hac vice. I appreciate, Your Honor, doing that.

THE COURT: Okay. Mr. Korpus, go ahead.

MR. KORPUS: Thank you, Your Honor. Nice to meet you and to appear before you.

Can you hear me okay?

THE COURT: You're a little soft. If you could speak up a little bit, that would be helpful.

MR. KORPUS: Yes, Your Honor. I'll try my best. Let me just check my volume on my computer. It's a hundred.

Okay. Your Honor, I won't take too much of your time, because there isn't a motion by us before you at this time to address this, but there is a second side to this story. And the second side to this story is that that at the time that BYJU's Alpha took out the loan and at the time that a notice of default was served by the lenders, there was no payment involved. Every interest coupon was met and paid for in full.

The defaults of the lenders' rate were all technical on the nature of reporting and (indiscernible) really focused on this guaranty to be given by subsidiary that all parties knew was going to be difficult to get due to the change of law in India and the ability of that subsidiary to provide that guaranty, and that's why the loan agreement provided that all we had to do was reasonable efforts to try and obtain the guaranty, which, to this day, the lenders have

not disputed that, indeed, the BYJU's entities did exercise reasonable efforts to do so. So, all of these defaults put a lot of pressure on the company and, ultimately, there was a notice of default, notice of acceleration, and a seizure of BYJU's Alpha, all based on these non-monetary alleged defaults.

Alpha is not, as you heard, it has never been an operating company. Its sole goal was to receive the \$1.25 billion and that money was to be used for the entire of Byju's global network of companies. So it was always known that the funds would be sent from BYJU's Alpha elsewhere to the group. That's why there is no covenant that the lenders can rely on preventing the transfer of funds to anyone.

After the default was served, the lenders started this 225 action for control and Mr. Finestone showed you the chart of actions. And what's unique about this case, Your Honor, it's essentially trying to stay two actions that the lenders themselves started. They started the 225 action and through this bankruptcy, they're trying to moot our appellate rights.

They filed this, not after the judgment was rendered, but two months later after they saw our opening brief, because we believe we have strong appellate arguments and I'll get to that in a second. Everything that they showed you about the specified defaults and the agreement and

the arguments made are all part of the record for the 225.

They're all going to be part of the record before the

Delaware Supreme Court. We have the right to pursue our

appellate rights. If we lose, then I guess we're back here

and they can do what they want to do, but we do have these

appellate rights to exercise.

And then the second action that they're trying to stay is another action that they, themselves, have brought. The lenders brought the action for fraudulent transfer in Florida. They don't like the way it's been going and that's why on the eve of the motion to dismiss, they filed this petition to moot that action.

So there's a lot of gamesmanship going on here.

They could pursue this action as creditors. And there's no good reason why they filed this bankruptcy today, other than to moot the actions that they, themselves, took before we had a chance to present our side.

So, we intend, Your Honor, to bring a motion to either dismiss the petition or for relief from the automatic stay to pursue our appeal in Delaware.

You've heard that there's now been a payment default. Well, that payment default came because they accelerated and they can't have it both ways. And they never presented the borrower with an invoice asking for payment of interest; in fact, they said if we made an interest payment,

that would apply to the numerous fees of all the lawyers that
you see before you on this Zoom that have been involved on
the daily basis talking to their clients and talking to the
company and all the rest and, Your Honor, we believe that we
should, at some point, address this before the Delaware
Supreme Court and that's where this case belongs.

And I believe I don't have anything else and the rest is for Mr. Chipman to address in his objections, unless you have any questions for me?

THE COURT: No questions, thank you.

Mr. Chipman?

MR. CHIPMAN: Thank you, Your Honor.

So given that the debtors filed a revised form of order limiting the use of cash collateral to \$75,000, I think that moots most of our objection, Your Honor. Our objection was, basically, that the only amount that should be authorized to be used under the interim cash collateral order should be limited to what the debtors actually need to spend. So I think the \$75,000 cap addresses that.

We also asked for specific -- the terms of the DIP loan, which I believe Mr. Enos said he would file 14 days prior to the hearing. Your Honor, normally, we would see those filed with the petition and, usually, we would have a little bit longer period of time to review those and file an objection, so we think 14 days is a little short. We don't

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1 know what the terms of the DIP are. We just know that it's a \$260 million roll-up with a \$20 million -- or \$240 million roll-up on a \$20 million new term loan. We don't know any of the other terms and releases, so forth, and so on. We also 5 think, Your Honor, we should have time to fully brief a 6 motion to dismiss and enter that at the same time.

So, Your Honor, if it pleases the Court, we think that we should have 21 days' notice of the terms of the DIP. And if Your Honor is going to schedule a final DIP hearing, I think we should have time to fully brief the motion to dismiss and have it heard at the same time.

THE COURT: Well, I'll direct the parties to meet and confer and talk about that issue and then come back to me and contact chambers for the proposed hearing.

MR. CHIPMAN: That works, Your Honor. appreciate your time.

I don't think I have anything else because of the comments that were accepted of Ms. Casey that limited the amount of the cash collateral to \$75,000. It took away a lot of our -- it mooted a lot of our argument, Your Honor.

THE COURT: Okay. So I can, for purposes of what I'm going to put on the docket, are you withdrawing your objection?

MR. CHIPMAN: Your Honor, we're withdrawing our objection with regard to limiting the amount of cash

1 collateral to be authorized to be used during the interim 2 period, because that's already been addressed by the U.S. 3 Trustee. With regard to the rest of the objection, Your 4 5 Honor, again, we would like a full version of the DIP motion, 6 the DIP credit agreement, the final DIP order, and sufficient 7 time for us to address it in the context, as we talked about, of a motion to dismiss. So that part of our objection, I'm 8 not withdrawing, Your Honor, but --9 10 THE COURT: Well, that's not before me today, so there's no objection to the DIP at this point. 11 12 MR. CHIPMAN: So, Your Honor, that's correct. Your Honor, we did reserve our rights on that. 13 So, with regard to the use of the cash collateral, 14 15 we'll withdraw our objection with regard to that, Your Honor. 16 THE COURT: Okay. Thank you. 17 Anything else that we need? Anyone else wish to 18 be heard before I rule? 19 (No verbal response) 20 THE COURT: Okay. I'm satisfied the requested 21 relief is appropriate and I will enter the order as 22 submitted, the revised order as submitted by the debtors. 23 I don't know what else we need to talk about at 24 this point, other than maybe some preliminary observations by 25 me at this point. And at this point, I've got a valid Court

of Chancery order appointing another party as the controlling shareholder of the debtors or whatever -- I don't know if it's shareholder or -- controls the debtors and Mr. Pohl is the sole officer and director of that company. That order has not been stayed pending appeal, so the order is that order, and I'm going to proceed on that basis, just so everybody is aware of that.

One other observation -- one other request, that the parties start talking to each other. There really is no reason the debtors, at this point, shouldn't know where that money is and I don't understand why that hasn't been disclosed. So I'm going to request that the parties talk to each other and see if you can come to an understanding about that and figure out what's going on here, because we're going to waste a lot of time and energy on discovery and motions and whatnot, that could be avoided if the parties would just talk to one another.

Mr. Korpus?

MR. KORPUS: Yes, Your Honor. I'm set.

THE COURT: Okay. All right.

Anything else for today?

MR. FINESTONE: One final thing, Your Honor. For the record, Ben Finestone, Quinn Emanuel, proposed counsel to the debtors-in-possession.

And I think it's related to the theme of Your

Honor's last comments for which we thank the Court. I didn't have the adversary proceeding number before, Your Honor, but it's Adversary Proceeding 24-00513.

We filed, as I mentioned, I think twice, we filed that complaint on Friday, February 2nd, and we emailed counsel to Camshaft, because they're, at least, the initial transferee. We asked them to accept service: no response. We asked them to accept service today: no response.

I am not, Your Honor, about to ask the Court to do something about that. We can serve the complaint. We can handle that if counsel is going to continue to ignore us.

What I am asking for is very modest. We asked them to accept service twice. Both those times, we also asked them to meet and confer so that we can satisfy Your Honor's requirement that before we file a motion to expedite discovery in that adversary proceeding -- because to us, cash is a melting ice cube -- they're not meeting and conferring with us. So my modest request from Your Honor is can we have authority to file a motion to expedite discovery, Your Honor? Your Honor will schedule it when it works for the Court.

But we can't sit here comfortably getting ignored on the meet-and-confer requirement, and, Your Honor, of course, I know you directed your comments to Mr. Korpus, but we, and Mr. Pohl, of course, are going to be available to talk. All we want to do is find the money. But we just want

simple authority from Your Honor that emailing these, because counsel is ignoring us to satisfy our meet-and-confer requirement, before we file our motion to expedite discovery, the merits of which Your Honor will evaluate when you get the motion.

THE COURT: Is there anyone on the call from

THE COURT: Is there anyone on the call from Camshaft, by chance?

Yes, there is, Mr. Van Tol.

MR. VAN TOL: Hi, Your Honor. It's Pieter Van Tol from Hogan Lovells for Camshaft.

The adversary complaint was just filed, Your

Honor. It was just served. So now that it's served, we

will, of course, engage with counsel, as is appropriate. If

they have a motion to make, we will, of course, address it.

THE COURT: Okay. Mr. Finestone, has it been served by serving on counsel and requesting them to accept service or was it served on the registered agent or how was the service completed?

MR. FINESTONE: Your Honor, I actually don't know whether we -- yeah, we asked counsel to accept. They haven't accepted. Maybe Mr. Van Tol just accepted.

I did not rise prepared to tell Your Honor that we satisfied a (indiscernible) for service in view of their lack of agreement. All I rose for was to see if I can file this motion to expedite discovery, Your Honor.

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So, Mr. Van Tol, we'll meet and confer with you
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    immediately both, on service and the meet-and-confer
    requirement.
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               MR. VAN TOL: Thank you, Your Honor.
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               THE COURT: All right. Mr. Van Tol, are you
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    accepting service on behalf of your clients?
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               MR. VAN TOL: I believe it's already been served,
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    Your Honor, through some corporate meeting, so I don't know
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    if that's necessary, but I will double-check that.
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               THE COURT: Okay. Then I would direct the parties
    to meet and confer and talk about the discovery issues in
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    advance of the final hearing.
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               MR. VAN TOL: Thank you, Your Honor.
               THE COURT: Okay. All right.
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               Anything else for today?
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               MR. ENOS: Yes, Your Honor, just one
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    administrative item. We need to schedule a final
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   hearing/second day hearing.
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               THE COURT: I'm going to ask you to contact
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    chambers to do that so that I don't mess up the calendar.
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               MR. ENOS: Absolutely, Your Honor.
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               THE COURT: It's been known to happen.
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          (Laughter)
               THE COURT: All right. Anything else for today?
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          (No verbal response)
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THE COURT: Okay. Thank you all very much. I appreciate it. I will see everybody when we get around to the second day hearing. MR. ENOS: Thank you, Judge. THE COURT: Okay. Thank you. We're adjourned. COUNSEL: Thank you, Your Honor. (Proceedings concluded at 4:06 p.m.)

CERTIFICATION We certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter to the best of our knowledge and ability. /s/ William J. Garling February 6, 2024 William J. Garling, CET-543 Certified Court Transcriptionist For Reliable /s/ Mary Zajaczkowski February 6, 2024 Mary Zajaczkowski, CET-531 Certified Court Transcriptionist For Reliable

EXHIBIT 30

1	1		BANKRUPTCY COURT		
2	DIS'	FRICT	OF DELAWARE		
3	IN RE:		Chapter 11 Case No. 24-10140 (JTD)		
4	BYJU'S ALPHA, INC.,		Case No. 24 10140 (01D)		
5	Debtor.				
6					
7	BYJU'S ALPHA, INC.,		2.1 2.2 2.4 50012 (777)		
8	Plaintiff,		Adv. Pro. No. 24-50013 (JTD)		
9	V.				
10	CAMSHAFT CAPITAL FUND, L. CAMSHAFT CAPITAL ADVISOR	S, .	Courtroom No. 5		
11	LLC, AND CAMSHAFT CAPITA: MANAGEMENT, LLC,	ь .	824 North King Street Wilmington, Delaware 19801		
12	Defendant.		Friday February 16, 2024 2:09 p.m.		
13					
14	TRANSCRIPT OF HEARING BEFORE THE HONORABLE JOHN T. DORSEY UNITED STATES BANKRUPTCY JUDGE				
15	APPEARANCES:				
16		TZ	-th Dans Dansin		
17	For the Debtor:	Kenneth Enos, Esquire YOUNG CONAWAY STARGATT & TAYLOR LLP 1000 North King Street			
18	Wilmington, Delaware 19801				
19	(APPEARANCES CONTINUED)				
20	Audio Operator: Sharon A. Page, ECRO				
21	Transcription Company:	Reliable			
22		The Nemours Building 1007 N. Orange Street, Suite 110			
23	Wilmington, Delaware 19801 Telephone: (302)654-8080				
24			l: gmatthews@reliable-co.com		
25	Proceedings recorded by electronic sound recording, transcript produced by transcription service.				

1	<u>APPEARANCES (CONTINUED)</u> :	
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Case 24-50013-BLS Doc 42-2 Filed 02/29/24 Page 334 of	Case 24-50013-BLS	Doc 42-2	Filed 02/29/24	Page 334 of 410
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INDEX MOTIONS: PAGE Agenda Item 1: Emergency Motion of Debtor for Limited Expedited Discovery or, Alternatively, for an Order Pursuant to Bankruptcy Rule 2004 Authorizing Examination [D.I. 58/A.D.I 7, 2/9/24] Court's Ruling:

(Proceedings commenced at 2:09 p.m.)

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(Call to Order of the Court)

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THE COURT: Please be seated. Mr. Enos, no need to reintroduce Mr. Finestone. We can just jump right to Mr.

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Finestone.

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MR. ENOS: Thank you, Your Honor. With the

Court's permission I will cede the podium to Mr. Finestone.

MR. FINESTONE: Good afternoon, Your Honor. Finestone from Quinn Emanuel, proposed counsel to the debtors-in-possession.

Your Honor, we are here today with respect to the debtor's motion to expedite discovery that was filed at ECF No. 7 on the adversary proceeding docket. We also filed that, Your Honor, in the main bankruptcy case in an attempt to preempt any additional procedural oppositions that may come our way.

Your Honor, I guess what I would like to do is just start off by clarifying that in our view we are asking for very modest relief. What we have asked for the Court to grant us authority to do is to issue six document requests to the Camshaft defendants, eight interrogatories to the Camshaft defendants, and across all 14 of those discovery requests, Your Honor, it's safe to say they concern one thing; they concern the transfer of \$533 million of the debtor's funds. We have also asked Your Honor to issue six

very, very similar interrogatories to the debtor's former officer and director, Mr. Ravindran, who we know because he was the only employee of the debtor who was responsible for the transfer.

Your Honor, I guess what I would like to present today is four potential grounds for cause that can form the basis for Your Honor to grant us the relief that we have asked the Court to grant.

First, I will just sort of refer by incorporation, Your Honor, the first day hearing that took place on February 5th we submitted for admission, and it was admitted, Mr. Pohl's declaration. Mr. Pohl's declaration goes through in great detail everything that we have been able to learn about this transfer and I won't take the Court through it again, the Court was gracious with the Court's time on the first day hearing, but I will just, at the highest of levels, summarize it.

Mr. Pohl came into power in March 2023. It took him a while, but he discovered that this half a billion dollars was gone. It took him a while, but he discovered that the half a billion dollars was transferred to a hedge fund called Camshaft Fund. And then in subsequent litigation in State Court we found out not only that the money was gone from the debtor, but any putative argument for a replacement asset, such as an interest in this Camshaft Fund, we were

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1 being told the debtor doesn't even have that. So, the \$533 million was gone and there was nothing put back on the balance sheet. So, that is grounds one which is the 4 description around this, what we have alleged with great 5 confidence, Your Honor, to be an actual intent fraudulent 6 transfer.

Grounds number two, Your Honor -- as Your Honor knows, pursuant to the scheduling order that the Court entered this week, we have two objections filed to this motion for expedited discovery: one by the Camshaft defendants and one by Mr. Ravindran. Together it is more then 20 pages. One thing that isn't referenced or isn't included at all in any of those 20 pages, and I will go further, Your Honor, they also filed a motion to dismiss our voluntary petition last night or the night before is another 25 pages.

In those 45 pages there is no argument, allegation, there is no even suggestion that this transfer was done without an actual intent to hinder, delay, defraud our lenders and maybe that would be tough for them to do because, as Your Honor may remember from the first day declaration, our former director and officer stated that the money was somewhere where our lenders would never find it.

I don't care about the lenders, Your Honor. care about my estate and I care about the debtor. That is

now -- the money is somewhere where he doesn't think I am ever now going to find it on behalf of the estate.

So, no substantive response and not just on actual intent, Your Honor, no response or suggestion of reasonably equivalent value. Forget reasonably equivalent value, forget fair consideration, they don't even say, well, you got a peppercorn of consideration in exchange. So, lots of opportunities to say this wasn't a fraudulent transfer and instead this whole bankruptcy case was a bad faith filing.

Ground three, Your Honor, and we made this point in the reply that we filed yesterday, but I would just like to put a little nuance on it. We said, Your Honor, that in these opposition papers they advanced reasons why we shouldn't get the expedited discovery, but they didn't answer the question of where the funds are. They certainly could have, Your Honor. There could have been a hypothetical opposition that was filed that said: Your Honor, this isn't a fraudulent transfer as alleged, we have defenses to the fraudulent transfer, or there was good cause for why Mr. Ravindran, the prior officer and director, transferred the money, we are going to assert those defenses. They certainly know that this Court is going to give them an opportunity to present their defenses.

They could have said that and at the same time said, but the cash that we transferred is in Florida, its in

a Camshaft Fund, or it's in an account in Delaware, or its somewhere safe. They dodged that question entirely. My point is they certainly could have said this is where the cash is while retaining all of the defenses on the merits. The location of the cash should have been a non-controversial point. It's an addition reason for concern for the debtor.

Just to drill down on it a little bit, I guess with more precision, there are two defendants over there -two objectors, Your Honor. I guess we are not surprised that
Mr. Ravindran didn't want to tell us where the cash is. He
is, after all, the person who transferred the cash away and
we suspect that the money is in the power of the Ravindran
enterprise. So, him hiding it maybe we weren't surprised.

The Camshaft Funds, which were the funds that received this cash, at least, as an initial matter, they should really have no dog in this fight, Your Honor. They shouldn't care who has the claim against Camshaft for that cash. I would have expected them to respond and say, yes, we do have the cash, we will hold it pending Judge Dorsey's ruling, or, yes, we do have the cash -- or we don't have the cash anymore because someone took it away from us. Either way we are just a conduit or we have no dog in this fight.

Instead, what we see is them responding also and they didn't shed so much as a clue. So, our inference from that, which at least from the debtor's perspective we believe

to be inescapable, Your Honor, is these are two parties working on concert with each other. From our perspective they're hiding the debtor's cash and that is grounds three for expedited discovery, Your Honor. We said in our papers it's a non-controversial point, but I will just say it one more time: concealment of transferred funds is one of the more compelling badges of fraud when it comes to actual fraudulent transfers, Your Honor.

Fourth potential basis, and I am not going to spend any time on it because I don't think I need to, we reference it in our papers, but fourth potential grounds, Your Honor, for the motion I will just say that their refusal to meet and confer, after the Court suggested a meet and confer, its — obviously, the Court knows whether that was an instruction, a direction, or an order, but it was at a minimum a suggestion. Their refusal to meet and confer and the refusal to shed any light on the location of the cash, I think, independent of everything else stands and compromises grounds to grant our motion for expedited discovery.

Your Honor, I will just -- I think I would like to just request the opportunity to respond to some arguments after their made. They filed a motion to dismiss the Chapter 11 case. The mere filing of a dispositive motion really, most Courts have decided, should have no impact on whether discovery should be stayed, whether discovery should be

expedited. The mere filing of a motion is just that, it's the mere filing of a motion.

I will just say that like if the Court is going to break from that tradition it shouldn't be this motion that would cause the Court to break from that tradition. This motion, Your Honor, questioning whether this filing is value maximizing we have a tough time accepting that motion as having any merit whatsoever. We have no assets, Your Honor, no material assets relative to our \$1.4 billion. The reason we have no assets is because of our former director and officer; the same party who has filed the motion to dismiss the bankruptcy case.

We filed this case in the first instance to avail ourself of Chapter 5 cause of action. It is our job, as fiduciaries for the estate, to recover this money for the estate. We are not recovering it for the benefit of any subset of lenders. We are not recovering it for GLAS. We are not recovering it for the 100 lenders that we have. We are not recovering it for potentially unknown, unsecured creditors that we just don't know about because we haven't had a full review of our books and records.

We are seeking to recover that money, Your Honor, for the benefit of this Chapter 11 estate and Your Honor knows we are not going to be able to do anything with that cash without Court approval. It is going to be distributed in

a fair and equitable way under Title VI. So, two-party dispute we have got 100 lenders that we know about. A two-party dispute we have got initial transferee and likely its been represented to us there will have to be subsequent transferees. I don't see any two-party dispute here. I see plain and obvious financial distress.

One last point, I see value maximization, Your Honor. I know I'm really getting into the merits of the motion that is not being presented today, so I am going to cut it off after this. In their papers they continue to point to all of these motions to dismiss that they had pending in the Florida State Court when the lenders were pursuing avoidance of the same fraudulent transfer. They are saying those motions were so — those motions to dismiss had so much merit that we decided to file this Chapter 11 case out of fear of those motions to dismiss arguments that they think are dispositive.

Your Honor, I haven't been in the trenches on the arguments that they have made in Florida because that is GLAS's cause of action. It is not the estate's cause of action. But I have reviewed their papers and I have noticed that basically all of them fall away. They said the debtor wasn't a party. Well, the debtor is the plaintiff now. They said GLAS wasn't an actual creditor. It's actually the 100

lenders. Well, that doesn't matter anymore, Your Honor, because I have standing under Chapter 5.

Technical argument after technical argument, none of them are going to apply to this debtor-in-possession pursuing the causes of action. To bring that all together for that reason alone the stronger that they think their arguments were in Florida the more value maximizing this Chapter 11 case will be under the auspices of this Court, the U.S. Bankruptcy Court for the District of Delaware.

Your Honor, we ask that the order be entered so we can find the location of the cash. We really are not trying to get a leg-up on federal rules of civil procedure and we made sure to keep the scope to just a location of the cash. We are concerned about dissipation. We are concerned about subsequent transfers and the deleterious effects it could have on our estate.

Thank you for the opportunity to be heard, Your Honor.

THE COURT: Thank you.

MR. SCHARTZ: Good afternoon, Your Honor. Brian Schartz with Kirkland & Ellis. I represent GLAS, the agent, on the defaulted loan.

The agent acts on behalf of more then 100 lenders. The agent takes its role very seriously. And we are going to do everything in our power to help the debtor find the \$533

million. Mr. Finestone is right, the debtors' perspective is different then GLAS's, but we are aligned on this. We have spent more than nine months trying to find that money. We have no answer for it today. We have learned a couple things:

Number one, we have learned just how far that folks who are represented in this room will go to conceal that answer. When Mr. Byju Ravindran told us in May of last year they put the money "some place the lenders would never find it" it was a clear statement of intent to conceal that and they have acted accordingly. So, no one has disputed that. It's a very interesting point that Mr. Finestone just made, but we have been aware of it for a long time.

Second thing we have learned is that Byju
Ravindran, his brother Riju Ravindran, and the rest of the
Think & Learn corporate enterprise to which BYJU's Alpha used
to be a part of they have, essentially, abandoned all of
their obligations under the credit agreement. So, I want to
unpack that for a moment because it's a complicated point
that comes up in all of the papers. You are going to hear
more about it, but I do think there is an important takeaway
for today's purposes.

When we litigated the Delaware 225 action in Delaware it was on the basis of four acknowledged events of default. The debtors, Think & Learn, had signed papers

saying we acknowledge these events of default. Vice
Chancellor Zurn found that there was, at least, one that Mr.
Pohl had been appointed correctly because of that and that is what would be up for appeal was it not stayed. Again, they didn't seek a stay when they lost.

Since then, Judge, the events of default have only piled up. So, when I was here at the first day hearing virtually, I said there were 11 events of default. By our count it is pretty hard to keep count. We think there are, at least, 16 events of default outstanding with probably more coming on the horizon, Judge. And they are not immaterial. When you add the whole thing up, I am not going to go through every single one because it would be pretty boring and dry, but they go to the heart of the lenders original decision to loan money to the company.

Lenders don't make a loan for more then a billion dollars without having protections and a credit agreement. They go to payments of interest which hasn't been made in quite some time, payments to amortization, same thing.

Quarterly calls with the management team. Its been a long time since we have had them. Ability to inspect books and records. Ability to see financial records. None of that has happened, Judge. And, of course, no lender would make a loan unless they had that.

Think & Learn says that the lenders want to have their cake and eat it too or have it both ways. Everyone followed that argument. All the lenders and the agent want is to get the benefit of the contract that was entered into and to have them comply with the law. I am focusing on this because when you think about it we think it tells you something very important. What it means is that Think & Learn and the Ravindran's, both brothers, they are far more interested in hiding the \$533 million then they are with complying with the credit agreement.

They would rather hide the money then comply with the agreement. That is a very important proposition because what it means, Judge, is pursuing the Delaware appeal, pursuing modification, automatic stays, let that go forward; its all a ruse, its all a red herring because if they were to win the Delaware appeal, which they won't, but if they were they are, by our account, at least a dozen other defaults waiting for them on the other side. The lenders are just going to do the same thing they already did.

It's such an important point because why would

Think & Learn and the Ravindran's engage in such a

(indiscernible) strategy; well, Judge, its just time. The

more time they can buy the more they can continue to hide the

money and keep up the charade, the longer they have the

debtor's money and the more they can use it; however, it is

that they're using it. Hopefully it is not as improper as we fear.

By the way, it's also the same reason that the Ravindran's and Think & Learn wanted to dismiss the case because if they are successful, it isn't like they are going to sue themselves and bring \$533 million back into BYJU's Alpha. There is going to be another default, but even if they could they aren't going to do it because they are not going to do anything to maximize the value of this debtor.

To the contrary, they want to do what every bad actor insider who is worried about a claim by creditors of one of the boxes for which they had a fiduciary duty, they are going to do what every bad actor wants to do, they are going to try and bury it. That is why we have things in bankruptcy like the ability for creditors to obtain standing to bring a case. And this is a Delaware Corp., not a Delaware LLC, so we don't have that technical issue here.

Judge, we really want the ruse to stop today. We agree with Mr. Finestone that the relief is very narrowly tailored. We think that it's appropriate and we would ask you to approve it. Counsel for the parties are in this room, they can answer these questions today. Its been more ten nine months. It's a critically important question to my client and the lenders which it represents. We stand in support of the motion without qualification.

Thank you.

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THE COURT: Thank you. Any one else in support of the motion?

(No verbal response)

THE COURT: Okay.

MR. VAN TOL: Good afternoon, Your Honor. Pieter Van Tol for the adversary proceeding defendants, Camshaft.

I would like to go back to the standard because I think this is a rare instance where the parties agree. It is the good cause standard that seems to be the favored one among the District Courts and Bankruptcy Courts, but if you look at what that says it imports a reasonableness inquiry. In turn, that means that the Court should look at whether or not there are merits to the claim.

Expedited discovery is an extraordinary remedy.

We cited the <u>Techtronic</u> case and it cautioned that it should be used very carefully after a look at the merits. What is interesting about Mr. Finestone's presentation, Your Honor, he focused on what he called technical arguments. What he didn't happen upon was the substantive argument that was made in the motion to dismiss in the Florida Court in which Camshaft the credit agreement does not restrict the use of the loan proceeds.

That, Your Honor, goes right to the merits of the case. That goes right to whether or not there was a

fraudulent transfer simply because a hedge fund was sent 1 2 money. That issue, Your Honor, was going to be decided by the Florida Court and it was on the cusp of deciding that and 3 it had already denied expedited discovery and on the eve of 4 5 such a hearing GLAS pulled the plug. What we haven't heard 6 from any party here today is why would they do that? 7 They had the ability, as of November 2023, to come 8 to bankruptcy court if that is where they really wanted to be. Instead, what they did is they went to a Florida Court, 9 10 asserted Florida claims just like they do here, didn't get 11 the result that they wanted, so they came to Your Honor. THE COURT: The action in Florida was filed before 12 the decision was made in the Chancery Court case, was it not? 13 MR. VAN TOL: Yes, Your Honor. 14 15 THE COURT: So, it was a different party, it was 16 GLAS? 17 MR. VAN TOL: It was, Your Honor, but then they 18 had the ability as of November 2023 if they wanted to stop 19 what was going on in Florida, they could have stopped it a 20 lot earlier then they did rather than on the eve of what they thought was going to be an adverse result. So, they come to 21 22 Your Honor and then in their papers what they --23 THE COURT: I don't know if I have any evidence

that they thought it was going to be an adverse result.

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MR. VAN TOL: Well, Your Honor, I think the
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    chronology suggests it is. It makes no sense for them to go
    right up to the eve of a hearing and then pull the plug.
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    What they say in their papers is that Your Honor is a better
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    Judge, to use that word advisedly, of what Florida law is
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    then the Florida Judge. Of course, we have full confidence
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    in whatever Your Honor decides, but its both inaccurate and
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   not really --
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               THE COURT: Well, I am not deciding Florida law.
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    These are fraudulent transfers under the bankruptcy code.
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               MR. VAN TOL:
                             They are, Your Honor. They also
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    import Florida law. That is right in the complaint.
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    are making the same claim based on Florida law that they made
    in the case before the Florida Judge.
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               THE COURT: I do that every day in every state.
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               MR. VAN TOL: agreed, Your Honor. My only point
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    is there has been no showing why the Florida Court couldn't
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    do that. So, the only conclusion one can draw is that --
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               THE COURT: Well, the Florida Court can't apply
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    the bankruptcy code.
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               MR. VAN TOL: I'm sorry, I didn't hear you, Your
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   Honor.
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               THE COURT: Florida Court can't employ the
24
   bankruptcy code.
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               MR. VAN TOL: I understand, Your Honor.
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THE COURT: So, they got two causes of action. 1 2 One under the bankruptcy code and one under the Florida code. 3 MR. VAN TOL: Yes, Your Honor. Obviously, and you know this more then I do, there is a dovetail and overlap on 4 5 the elements of actual and constructive fraudulent transfer. 6 We would make the same arguments on the merits here that we 7 were making in the Florida case. 8 So, what we are asking for, Your Honor, is not 9 anything extraordinary. We are ready to file a motion to 10 dismiss. It will be similar to the one that has been filed. We will also add our other claims. All we are asking is that 11 12 Your Honor take a look at the merits before you decide whether or not there should be expedited discovery rather 13 than the other way around. It will be a much more informed 14 15 decision that Your Honor makes once you see what the law is as opposed to counsel's arguments about what they think the 16 17 law is. 18 So, for that reason, Your Honor, we would submit 19 that good cause has not been shown and all we are asking, 20 Your Honor, is a time, not a lot of time, to simply get our motion to dismiss on record, have it decided and then the 21 22 Court can see where things lie on discovery. 23 THE COURT: All right. Thank you. 24 MR. VAN TOL: Thank you, Your Honor. 25 MR. CICERO: Good afternoon, Your Honor, Joe

Cicero from Chipman Brown. Thank you for hearing me today, may it please the Court.

I won't belabor what's in our papers, I will just highlight that we're here to object on Mr. Ravindran's behalf on the discovery that's proposed to be propounded against him in this adversary proceeding, we think for a couple reasons. One, we filed a motion to dismiss, which will be heard in 25 days before Your Honor. We believe that under that time frame there's no reason to have discovery before Your Honor hears that, it's a pretty short time frame, and I won't belabor the reasons for that.

The other one is -- it's sort of an awkward procedural scenario that we're in for Mr. Ravindran. The proposed requests were awkward and unorthodox, they appear to be under Rule 33, they also -- and it's and/or Rule 2004, and it's in the adversary caption. So Mr. Ravindran is not a party, we've appeared here to object, just like anyone would object to quash a subpoena who's a nonparty, but we don't see how a Rule 2004 examination can be awarded based upon what we put in our papers, which is there's a pending proceeding in the adversary proceeding that we're here today on and that would be skirting that.

And in the adversary proceeding itself, Mr.

Ravindran is not a party and certainly, if they wanted to serve subpoenas, they could do that, but what they can't do

under the Rules of Federal Procedure as adopted by the
Bankruptcy Rules is serve interrogatories on a nonparty, and
that's what they've done. You've heard it today, they asked
for a handful of interrogatories. If you look at the
proposed discovery requests, they are interrogatories, and
they don't reference Rule 45. Rule 45 does not give one the
ability to propound interrogatories, nor, do I submit, Rule
2004 allows that. Rule 2004 allows for documents and for an
examination, which I believe is sort of similar to a
deposition.

So, for that reason, you know, we think it should be stayed because of the motion to dismiss, but we also think that it's procedurally improper and, as set forth in the papers, Rule 2004 doesn't work.

I want to give a little bit of some background points. I don't want to go back and forth on the merits; I think this is the wrong place for that. It's a motion to accelerate discovery, it's not any other hearing. So the fact, if we remain silent on a particular fact, we're not conceding that, as Your Honor knows. And so the aspersions that we remain silent leads one to believe that we agree with it is certainly not the case.

The debtor, as you know, was never an operating company. I think it was solely to serve as a borrower under the credit agreement. GLAS and Mr. Pohl's complaint in the

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1 Court of Chancery action specifically states that. They state, "BYJU's Alpha's is a special financing vehicle that has no active business operations." The only creditors are 3 the lenders that are within the purview of the GLAS agency 5 relationship.

THE COURT: We don't know that because they haven't been given the business records.

MR. CICERO: They've been given the business records. In the 225 action, we gave the business records. They're just sparse because it was a special purpose financing vehicle. They have lenders and that's it, and the lenders are all one party.

THE COURT: They're still creditors.

MR. CICERO: Pardon me?

THE COURT: Lenders are still creditors.

MR. CICERO: Sure, they're creditors, but they can't act alone under their current arrangement. There's a steering committee that controls the lenders and they can act as one voice, and GLAS is the agent for them.

So, really, you're talking about a conglomerate being -- it's one party, it's 100 lenders within the auspices of GLAS. And then Mr. Pohl, who was appointed by GLAS, and Mr. Pohl, at his deposition in the Court of Chancery action, admitted that he takes instruction from GLAS. I took his deposition.

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These are the things that you would learn when we have this motion to dismiss hearing and I'm just highlighting some counterpoints to the narrative. This was really a nonpayment default and, under New York law, we believe it 5 would have been characterized as technical defaults that would not accelerate a loan like this, and they avoided New 6 7 York like the plague. They came to Delaware in one of the most unorthodox 225 actions I've ever seen, I don't think it's ever been done. They came as lenders to enforce their rights as lenders under a corporate governance procedure that allows one to take control of the board, which they did, and 11 12 the Court said that they were able to do that, but it was very unorthodox. What they were really focused on during 13 that proceeding was finding out where the money is, and the 15 Court said that's not relevant.

As you noted, even before the decision, they filed in Florida. They had learned somehow that Camshaft had the money. I'm not involved in the Florida action, I don't know what's happening there, but they certainly knew in September before the ruling came down, so they had plenty of time. And what they learned, at least according to their complaint, is that that money was transferred in 2002, so well before the actions happened --

THE COURT: 2002?

MR. CICERO: '22, sorry.

THE COURT: Twenty two years ago?

(Laughter)

MR. CICERO: I misspoke. 2022, not '23, and, you know, I'm going back to college on that one.

So it was purportedly transferred well before even the remedial measures taken that caused the Chancery action, Your Honor. They waited at every instance; they waited two months to file the Chancery action, they waited two months to file this action from the ruling from Vice Chancellor Zurn. So they're not really acting with alacrity and what they're asking for is expedited discovery. And, as I said, in 25 days you will hear the motion to dismiss, you will decide that as you may, but it certainly doesn't make sense to accelerate discovery.

I will submit that what they really want is the answer. They care less about this bankruptcy than they do about that answer. So that's why they're doing this. They know that, if the motion to dismiss comes and goes, you might rule in our favor; you might not, but if you do, they don't get the answer to that question and that's why they're here on this expedited motion.

As I said, I can't speak for Camshaft, but with respect to Mr. Ravindran, I don't think there's a mechanism -- you can't use -- I don't think you can use 2004 and there would need to be nonparty discovery. We did not appear as a

party. There was a strange -- bear with me one second -there was a strange notation in the reply that seemed to
concede that Rule 2004 doesn't apply. It was at page 16, it
said "solely in the alternative," the Rule 2004 request was
solely an alternative to its request that expedited discovery
be granted in the adversary proceeding. Now that Ravindran
has appeared in the adversary proceeding and advanced no
procedural objection to the requested discovery proceeding in
the adversary proceeding, the debtors' request under Rule
2004 is moot. And then they put a footnote that notes that
we've waived our objections to the non-Rule 2004 discovery,
and they quote from the notice of this hearing saying that,
if you don't object, you've waived all rights to the relief
sought.

Your Honor, as you know, the relief sought is to expedite the discovery, it's not for you to compel answers to discovery. So we certainly had not waived our procedural objections. We are objecting to the expedition of this case — or this discovery and to stay discovery, we weren't talking about the procedural aspects. I raised them today to put it on the record. If Your Honor does rule to expedite, which we believe you shouldn't, we can lodge our objections and we can proceed in the normal course.

THE COURT: Let me ask you a question.

MR. CICERO: You may.

THE COURT: Did the company in the Court of 1 2 Chancery action admit that they were for nonpayment defaults? MR. CICERO: No, that's a big point of contention. 3 What they're taking is a defined term, and I believe it was 4 5 stipulate -- no, I forget what it was -- it was like --6 UNIDENTIFIED SPEAKER: Specified default. 7 MR. CICERO: -- specified default -- thank you 8 very much -- in the forbearance agreements when they were working through extensions and amendments to the credit 9 10 agreement, they used the phrase specified default. It was 11 just a defined term to use within that document. Nothing, we 12 would submit, in that document -- we've argued this before with the Court of Chancery and we've also argued it on appeal 13 to the Supreme Court in our opening brief -- nothing in there 14 15 actually says we agree and concede and acknowledge that this is a default. That's our position; that was our position 16 17 with the Court of Chancery and in the Supreme Court. 18 THE COURT: All right. So my other question is, I 19 don't understand why your clients and the Camshaft parties, 20 if everything was on the up-and-up, if there's no fraudulent conveyances here, why not just tell them where the money is? 21 22 MR. CICERO: I understand that, Your Honor. 23 is a weird situation in the sense that the tactics that have 24 been employed by GLAS have been very Draconian. The lenders

have already shown that they are determined to be as

aggressive as possible and will stop at nothing. When is the -- I would just put it this way, when is the last time you've seen an acceleration while the borrower is paying all amounts, and when did you see a 225 action that was brought when there was no lawsuit on a default.

They've never even -- I think Judge Rievel (ph) said it right, if you read his transcript when he vacated the motion to expedite, he was perplexed as to why GLAS never sued on the note. They've never once filed a lawsuit to collect on the note to claim that there was a default. What they did, they did an end-run with Section 225, which is unorthodox, as I said.

So this is all unprecedented. They've used the press and they've cut off the oxygen of the company and, as noted at the first day hearing, the value has plummeted. That's because of the action of the lenders, Your Honor, and that's why my clients are concerned about them learning about where the valuable assets are that are allowed to be moved to other BYJU's entities where they because they know that they've employed these ultra-aggressive tactics that we believe are unlawful, and we have a multiple series of lawsuits and appeals that have now been stayed where we're trying to vindicate their rights. That's the answer, Your Honor.

THE COURT: Well, it's all before me now. So

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    you're not really answering for -- to my satisfaction why you
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    can't just tell them where the money is because, if you do, I
   mean, they can't take any action without coming to me first,
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    and this all goes away.
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               MR. CICERO: I understand the question. First and
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    foremost, I don't --
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               THE COURT: It leads me to believe that there's
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    something wrong going on here. If your client is not even
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    willing to say where the money is, that's a problem, I have a
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   problem with that.
               MR. CICERO: I understand your position, Your
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    Honor, but I certainly can't tell them where the money is
   because I don't personally know where the money is.
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               THE COURT: Well, your client does.
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               MR. CICERO: Well, they noted that counsel today
    could tell you --
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               THE COURT: Camshaft certainly does, they know
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    where they transferred it to.
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               MR. CICERO: Camshaft may know more than my
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             I don't know what they know, standing here today,
    client.
    and it certainly isn't fair to say in papers that counsel
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    could stand in this courtroom and tell you where the money
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    is, and that's what they've done multiple times.
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               THE COURT: Well, I mean, you can ask your client,
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    you've chosen --
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MR. CICERO: And I didn't say I -- and --1 2 THE COURT: -- you've chosen not to ask your client. 3 MR. CICERO: -- and I can't say -- well, you 4 5 should assume that I've asked my client and had conversations 6 with my client about this matter, but I'm not allowed to 7 reveal what those contents of those discussions were at this time. But I gave you my position; I don't have any better 8 answer for Your Honor. 9 10 THE COURT: All right. 11 MR. CICERO: Thank you. 12 THE COURT: Okay, anyone else on this side? 13 All right, back over here. MR. FINESTONE: Just briefly, Your Honor. Ben 14 15 Finestone, proposed counsel for the debtor-in-possession. 16 Your Honor was exactly right, the cause of action 17 that we're asserting is pursuant to Section 548 of the 18 Bankruptcy Code. We also have a Section 544 code, which is 19 technically a federal count as well. So Your Honor was 20 right, we have both of those. The lenders, they didn't have either of those. They didn't have Section 548, they didn't 21 22 have Section 550, and, more importantly, when they were 23 pursuing that cause of action it was for their own benefit and nobody else's benefits. As I said before, Your Honor, 24 25 we're pursuing the action for the entire estate.

The first thing that counsel said when they took the podium, Your Honor, they said we -- that I omitted one of the arguments made in their motion to dismiss in the Florida court, and the argument that I omitted was that they were also asking that Florida court to rule that there were no defaults under the credit agreement, which I guess would cut down the standing of the plaintiff GLAS. I didn't intend to omit that and actually I did reference it in the papers that I filed. But to the extent I did omit it today it was for a good reason, because my estate doesn't care about whether there were defaults when the assets were transferred. Maybe it's a data point, Your Honor, but -- and, actually, it's a data point that's been ruled in our favor by Vice Chancellor Zurn.

But even putting all of that aside, under 548, the issues are was I insolvent and did I get anything back -- I was and I didn't -- or was it done with actual intent.

Counsel said that I stood up here and I was silent about -- or that Your Honor shouldn't take inferences about their silence, silence on the merits, and I think that's a fair thing to say, Your Honor, except for the fact that we're not just dealing with silence, we're dealing with a statement, an admissible statement, an exception to hearsay by Riju Ravindran himself who said he put the money someplace where the lenders will never find it, that sounds pretty close to

||what 548 actual intent, fraudulent transfer, is looking for.

we're talking about what they did say and what would be admissible, and what also has been admitted in the Tim Pohl declaration, Your Honor. The hundred lenders, each one of them has 1109(b) standing in this bankruptcy case and each one of them will have the ability to vote on a plan under Section 1126. So they stand — the statement that they are bound to speak through some steering committee, one, I don't think Counsel has any insight, I don't have any insight into what internal regulations or rules that those lenders have made for themselves, but the Bankruptcy Code doesn't limit them that way.

I disagree with Counsel. I won't get into a titfor-tat on it, Your Honor, but we disagree completely that we
have all the books and records; it's not our position, it's
not what we understand to be the case, Your Honor. So there
certainly could be other creditors and we'll see as the
proofs of claim come into this case, another benefit of the
Chapter 11 case.

Your Honor, finally, again, I said I don't care about the defaults, and I mentioned it to Your Honor at the first day, there have been a year of payment defaults since the three defaults that Vice Chancellor Zurn didn't have to rule on and since the one default that Vice Chancellor Zurn

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did endorse, there's been a year of payment defaults. So, to the extent that matters -- I said it doesn't matter much to me as debtor-in-possession because my filing in your Court accelerated all the loans, but to the extent that matters, there's defaults in this case.

And finally, Your Honor, this is exactly why I made that Rule 2004 argument, Your Honor, because I didn't want to be dealt with this shell game, I guess is the way to put it. He filed his objection in the adversary proceeding, I didn't see any objection to him saying that he would be subject to discovery in the adversary proceeding, but I knew that if he was going to make that argument, then I would ask Your Honor to give me the release -- this is the relief for Mr. Ravindran and under Rule 2004, we cited a case that says the pending proceeding rule is discretionary, Your Honor. I acknowledge that it's a rule that most Bankruptcy Courts look to in the first instance, but in a case like this where they're refusing to identify the location of the cash, where they've appeared in the adversary proceeding, where they're clearly acting in concert with the defendant to the adversary proceeding, I don't think they should be able to argue the pending proceeding rule.

So it's Rule 2004 or it's Federal Rules of Civil Procedure, we'd just like to serve the six interrogatories on Mr. Ravindran and as well as Camshaft because -- speculation,

and then I'll sit down -- the idea that Mr. Ravindran doesn't know where the cash is, I think that's frivolous and we all know that's not true. The idea -- Camshaft may not know,

Camshaft was the IHOP hedge fund, they were probably used -- the money was probably put in them and taken out of them.

They're probably not paying for counsel; if they're paying for counsel, it's with the estate's money, Your Honor. So

And so, with that, Your Honor, I ask for the relief.

it's Mr. Ravindran that knows the answer.

THE COURT: Well, Mr. Cicero made the point, and I think it's a good one, that Mr. Ravindran is not a party to the adversary proceeding. So, if you're going to take discovery of him, it has to be by subpoena, you can't do it by Rule 33.

MR. FINESTONE: Acknowledged, Your Honor. Our response to that for Mr. Ravindran is what I said before, which is why we've asked, alternatively, for the authority to issue that subpoena pursuant to Rule 2004.

THE COURT: Okay. All right.

Well, this is obviously a highly unusual situation. I do have serious concerns about the location of the funds and why it hasn't been disclosed, and it leads me to have serious concerns that there's something happening that shouldn't be happening. The debtors are now before me,

I have a Court of Chancery ruling that says that Mr. Pohl controls the debtors, and he is the one who's prosecuting this case. The fact that parties may seek to dismiss the bankruptcy case or seek to dismiss the adversary proceeding, or both, is not dispositive of whether or not I can allow discovery to go forward and, given the concerns that I have, I'm going to allow that discovery to go forward, as requested by the debtors, on an expedited basis.

If there's nothing wrong here, that's going to help resolve the issues. If there is something wrong, then we're going to see where we're going and we'll have an idea of what this case is all about. So there's no reason not to produce it.

The other factor that gives me pause is the fact that the debtor -- well, before they were the debtor, before Mr. Pohl took over -- apparently transferred \$533 million to a hedge fund operating out of an IHOP in Georgia, and then that money all of a sudden disappears and nobody wants to tell me where it is. I've got a problem with that.

So that's why I'm going to expedite the discovery in this case. I'll deal with the motions to dismiss in due course as they come up.

The other issue is the -- and I'm going to raise now so the parties can talk about it -- is the appeal. The Rooker-Feldman doctrine would preclude me from doing anything

with regard to that Court of Chancery order; I can't reverse it, I can't change it, I can't uphold it, that's not -- you know, Rooker-Feldman would prevent me from doing that. So my inclination would be -- and I want the parties to talk about this -- is to lift the stay to allow that appeal to go forward, so that issue can be resolved because it has to be resolved. And if the answer is, well, that's all well and good, but there's still a number of other defaults, well, we'll deal with that when we get there, but we're not there yet.

So I want the parties to meet and confer on the discovery issues, I'm going to order it this time. The last time I didn't order it, I made a suggestion. I'm going to order the parties to meet and confer about the discovery, and I'm going to order the parties to meet and confer about lifting the stay to allow the Supreme Court, the Delaware Supreme Court appeal to go forward.

Any questions? Did I miss anything or are there any questions?

MR. FINESTONE: Thank you, Your Honor. I don't -I'm not able to suggest that Your Honor -- I'm not sure that
Your Honor missed anything, but I will at least just call
out, we had a proposed order attached to the motion and we'd
ask the Court to enter that order.

THE COURT: I think we've got to get a date in

there. There were missing dates on it, I think. So you're 1 2 going to have put dates in and then -- get a date from chambers and then -- I think there was a 14-day --3 MR. FINESTONE: Status conference. 4 5 THE COURT: -- I don't know if we'll be able to 6 make --7 MR. FINESTONE: Yeah. 8 THE COURT: -- it might be 13, it might be 15. 9 We'll have to figure out dates, so you'll have to contact chambers for that. 10 For Mr. Ravindran, you're going to have to proceed 11 12 by subpoena rather than the interrogatories. And, as Mr. 13 Cicero pointed out, Rule 45 only governs production of 14 documents, not -- but Rule 2004 does allow for an 15 examination, but I didn't see where you asked for an examination of Mr. Ravindran. 16 17 MR. FINESTONE: No, Your Honor, we limited it to 18 interrogatories. So let us revise the proposed order, we'll 19 speak to chambers about a date. We'll met and confer with 20 them on the Ravindran issue, but otherwise, I guess, we're authorized to issue a subpoena to Mr. Ravindran. 21 22 THE COURT: Yes, you're authorized to issue the 23 subpoena. 24 MR. FINESTONE: Yeah. 25 THE COURT: I'll give Mr. Cicero, though, the

opportunity to raise an objection to it, if he chooses to do so.

MR. FINESTONE: Okay.

THE COURT: But as you would under Rule 45, governed by Rule 45, but we'll deal with it on an expedited basis as well.

MR. FINESTONE: Thank you, Your Honor. And then we acknowledge and accept the direction to meet and confer on the stay relief. Another just call-out, on the motion to dismiss the Chapter 11 case that they filed, the second half of that brief is a request to lift the stay. And we will meet and confer with them on that and we will take Your Honor's comments in consideration. And it may be that when we respond to the papers that -- I guess all I'm saying is, it's already been submitted to the Court, the request to lift the stay, and we'll met and confer with them.

THE COURT: Yeah, I think they're request was in the alternative. So, if you agree to allow the stay to be lifted, that might resolve the motion completely, I don't know, but we'll see.

MR. FINESTONE: Thank you, Your Honor.

THE COURT: Mr. Van Tol?

MR. VAN TOL: Thank you, Your Honor, just one thing briefly. On the expedited discovery, I believe the proposed order was five calendar days. If we could ask for

five business days, just because of the coming holiday, which
I think would be next Friday.

MR. FINESTONE: Well, it's -- this is your Court, Your Honor, but our response to that is, I want Mr. Ravindran's counsel to stand up here and say the money is not going anywhere in the extra two days. We made a decision to ask for five calendar days, we thought it would have been too aggressive to ask for more, Your Honor, but the money could be moving today, Your Honor. So, if they can give us some comfort, then we -- and he's looking for a stipulation, then we can wheel-and-deal; if not, we'll stick with our request to the Court.

THE COURT: Five calendar days would put us on the 23rd -- no, one, two three -- it would put us next Wednesday, the 21st. I mean, money moves quickly, they can move it, you know, right after this hearing they could move it. So I'm going to give you five business days to -- so change the order for that date. So it will be next Friday, the 23rd.

MR. FINESTONE: Thank you, Your Honor.

MR. CICERO: Just one clarification, Your Honor -thank you and I think I understand the ruling on the subpoena
part, but I'm not sure if I understood whether there's a Rule
2004 request granting or not.

THE COURT: Yes, I'm granting --

MR. CICERO: Okay.

THE COURT: -- your 2004 request to issue the 1 2 subpoena, but you'll still have the opportunity to object to the subpoena, but I want that done on an expedited basis. I 3 4 don't want you to wait a month --MR. CICERO: Understood. 5 THE COURT: -- to file an objection. I expect an 6 7 objection within a day or two after the subpoena is issued, if you have an objection. 8 9 MR. CICERO: Thank you. THE COURT: And we'll deal with it on an expedited 10 basis after that. 11 12 MR. CICERO: I appreciate that. Thank you. 13 THE COURT: All right, anything else? 14 (No verbal response) 15 THE COURT: Okay. Thank you all very much. We 16 are adjourned. 17 COUNSEL: Thank you, Your Honor. 18 (Proceedings concluded at 2:57 p.m.) 19 20 21 22 23 24 25

CERTIFICATION We certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter to the best of our knowledge and ability. /s/ William J. Garling February 16, 2024 William J. Garling, CET-543 Certified Court Transcriptionist For Reliable /s/ Mary Zajaczkowski February 16, 2024 Mary Zajaczkowski, CET-531 Certified Court Transcriptionist For Reliable

EXHIBIT 31

IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL CIRCUIT IN AND FOR MIAMI-DADE COUNTY, FLORIDA

CASE NO.: 2023-022640-CA-01 (43)

GLAS TRUST COMPANY LLC, in its capacity as Administrative Agent and Collateral Agent,

Plaintiff,

v.

CAMSHAFT CAPITAL FUND, LP, CAMSHAFT CAPITAL ADVISORS, LLC, CAMSHAFT CAPITAL MANAGEMENT, LLC, and JOHN DOE,

Defendan	its.		

JOINT INITIAL CASE MANAGEMENT CONFERENCE REPORT

In conformity with Florida Rule of Civil Procedure 1.201(b) and this Court's Order dated September 11, 2023 setting an Initial Case Management Conference, Plaintiff GLAS Trust Company, LLC ("GLAS") and Defendants Camshaft Capital Fund, LP, Camshaft Capital Advisors, LLC, and Camshaft Capital Management, LLC (collectively, "Camshaft," and, together with GLAS, the "Parties") submit this Joint Initial Case Management Conference Report, and state as follows.

A. Brief factual statement of the action, which includes the claims and defenses.

Plaintiff's Position

This action arises from GLAS's efforts to expeditiously recover over half a billion dollars in fraudulently-transferred funds from their recipients, the three Camshaft Defendants and the yet-to-be-identified John Doe Defendant(s). As set forth in GLAS's Complaint, shortly after defaulting on over \$1 billion in loans (which remains due and outstanding today), the borrower BYJU's Alpha ("Borrower") made five transfers totaling \$533 million—over 80% of its assets—

to Camshaft. Camshaft is a high-risk and unknown hedge fund founded in 2020 by William C. Morton, a 23-year old with no formal training in investing and money management, and which originally ran its business out of an IHOP in Little Havana. There was no legitimate reason for Borrower's transfers. They were made with the intent to frustrate and defraud the Lenders. Borrower was insolvent at the time of the transfers, or rendered insolvent as a result of the transfers; and it did not receive any value, and certainly not reasonably equivalent value, in exchange for the \$533 million. The purpose of the transfers was for Borrower to hide the money from its creditors, *not* to generate an investment return, as the Camshaft Defendants claim in their position statement below.

Additionally, it is unclear whether the \$533 million remains at Camshaft today. That information has been concealed from GLAS, and is one of the subjects of GLAS's outstanding discovery requests to the Camshaft Defendants. Assuming the money has moved, which discovery will reveal, the John Doe Defendant(s), the purported new beneficial owner(s) of those funds (or the limited partnership interest in Camshaft Capital Fund, a hedge fund, acquired on account of those funds), should be identified and formally added as defendant(s) to this action.

As it stands, through its current Complaint, GLAS brings this action: (i) to avoid and enjoin the actually and constructively fraudulent transfers of \$533 million to Camshaft Capital Fund (Counts I-II); (ii) to avoid and enjoin any and all above-market management and incentive fees paid by or on account of BYJU's Alpha to the Fund's investment manager and general partner, Defendants Camshaft Capital Advisors and Camshaft Capital Management, respectively (Count III); and (iii) upon receipt of discovery, if appropriate, to avoid and enjoin the actually and constructively fraudulent transfers to the John Doe Defendant(s).

Finally, with respect to Defendants' Position below, as set forth in *Plaintiff's Combined*

Opposition to the Camshaft Defendants' Motion to Dismiss and Motion to Transfer [D.I. 49], GLAS has unequivocally stated claims for actual and constructive fraudulent transfer. Cognizant that GLAS's claims will proceed on the merits, Camshaft relies upon numerous scattershot procedural defenses to stall this litigation from moving forward. Those arguments are fundamentally flawed. They misunderstand Florida fraudulent transfer law, ignore binding Florida precedent, and should be flatly denied, all as set forth in GLAS's Opposition.

Defendants' Position

GLAS's Complaint purports to ask the Court to seize \$533 million in assets owned by BYJU'S Alpha, Inc. ("BYJU's")—a non-party to this litigation—invested into Camshaft Capital Fund, LP, based on statutory fraudulent transfer claims that require Plaintiff to prove, among other things, that BYJU's is "liable" to GLAS. § 726.102 (4), (7), Fla. Stat. But GLAS has failed to name BYJU's as a defendant in this lawsuit. As its counsel admitted at the October 3, 2023 hearing, *GLAS has not even sued BYJU's* in any court for breach or default of the Credit Agreement, nor has it sued BYJU's itself for fraudulent transfer, "[b]ecause it has not decided to exercise that remedy yet." (*See* Oct. 3 Oral Arg. Tr. at 29:17-18.)

Florida law does not empower a Court to seize assets owned and invested by a non-Party, on behalf of other anonymous lenders, based on alleged breaches of the Credit Agreement which GLAS has not provided to the Court (and which Defendants are not parties to). Instead, this lawsuit is merely a vehicle for evading courts, like Delaware, that have already considered discovery requests similar to the requests GLAS is making here and rejected them, as well as attempting to improperly obtain the discovery sought in this case for the improper purpose of pressuring non-party BYJU's in business negotiations. That is not a proper use of the Florida courts, and this Court should dismiss Plaintiff's Complaint for its numerous pleading deficiencies,

and stay discovery until the Court rules on the Motion to Dismiss.

First, Plaintiff lacks standing to assert its claims because it does not stand in the position of a creditor. It does not have a "claim" within the meaning of Florida's fraudulent transfer statutes, and it is not pursuing such a claim against BYJU's in any litigation. Moreover, Plaintiff pleads that the Credit Agreement between BYJU's and various creditors is the basis for this action, yet the Credit Agreement is repugnant to the Complaint and the relief sought. Plaintiff's failure to attach the Credit Agreement is itself an additional cause for dismissal.

Second, Plaintiff has failed to join an indispensable party to this litigation—BYJU's—which, unlike Defendants, is the alleged debtor and party to the Credit Agreement.

Third, this case is governed by mandatory New York forum selection and choice of law provisions, and thus this lawsuit has been filed in an improper forum.

Fourth, notwithstanding these threshold deficiencies, each of Plaintiff's claims against Camshaft for fraudulent transfer fail as a matter of law on multiple bases. Moreover, pursuant to the terms of the Credit Agreement entered into by BYJU's and its lenders, BYJU's is explicitly permitted to use the loaned monies to make investments.

For these reasons, and others, the Court should dismiss Plaintiff's Complaint with prejudice.

B. Brief statement on the theory of damages by any party seeking affirmative relief.

Plaintiff's Position

As set forth in the Complaint, in Counts I-IV, GLAS asserts four causes of action for: (1) avoidance and injunction of actual fraudulent transfer against Camshaft Capital Fund and John Doe under §726.105(1), Fla. Stat. (Count I); (2) avoidance and injunction of constructive fraudulent transfer against Camshaft Capital Fund under §§726.105(1)(b) and 726.106(1), Fla. Stat. (Count II); (3) avoidance of constructively fraudulent transfer against Camshaft Capital

Advisors and Camshaft Capital Management under §§726.105(1)(b) and 726.106(1), Fla. Stat. (Count III); and (4) avoidance of constructively fraudulent transfer against John Doe under §§726.105(1)(b) and 726.106(1), Fla. Stat. (Count IV). In Counts I-IV, GLAS also requests declarations that the transfers were fraudulent under the Florida Uniform Fraudulent Transfer Act.

Defendants' Position

Defendants are not seeking affirmative relief at this time, but reserve the right to seek relief for this improper use of process and other claims.

C. Likelihood of settlement.

The Parties believe it is difficult to assess the likelihood of settlement at such an early stage of the litigation, and that settlement discussions at this time are premature. The Parties agree that all settlement discussions will be made in good faith, and the Parties will inform the Court if any settlement is reached.

D. Likelihood of appearance in the action of additional parties and identification of any nonparties to whom any of the parties will seek to allocate fault.

Plaintiff's Position

GLAS anticipates that discovery in this matter may lead to the identification of the John Doe Defendant(s) and potentially other entities who should be brought into this litigation as defendants. Accordingly, GLAS may seek to amend its Complaint to add those additional parties, including other parties involved in any transfers related to some or all of the \$533 million or any asset on account of the \$533 million.

Defendants' Position

Defendants have moved to dismiss Plaintiff's Complaint for, among other reasons, failure to attach the underlying agreement which is the basis of Plaintiff's case, the Complaint is repugnant to the underlying agreement; lack of standing, improper venue, failure to join an indispensable

party, failure to adequately plead its claims, and failure to properly sue the underlying borrower BYJU's in any court for breach or default of the Credit Agreement at issue, or as a fraudulent transferor. In short, GLAS is seeking to have a trial within a trial by attempting to prove that BYJU's is a fraudulent transferor, and seizing BYJU's funds without BYJU's even being present to defend itself.

E. Proposed limits on the time: (i) to join other parties and to amend the pleadings, (ii) to file and hear motions, (iii) to identify any nonparties whose identity is known, or otherwise describe as specifically as practicable any nonparties whose identity is not known; (iv) to disclose expert witnesses; and (v) to complete discovery.

Plaintiff's Position

GLAS's position on these dates, in addition to subsequent dates, is set forth in the proposed Scheduling Order attached hereto as Appendix A.

GLAS's proposed Scheduling Order is built on three principal pillars: (i) a November 14, 2023 deadline by which Camshaft must respond to the outstanding discovery and complete its document productions in response to GLAS's outstanding targeted requests, ¹ (ii) a December 22,

¹ GLAS served targeted interrogatories and document requests on Camshaft concurrently with service of its Complaint. Camshaft Capital Fund ("Camshaft Fund") was served on September 11, 2023 [D.I. 28], Camshaft Capital Advisors ("Camshaft Advisors") was served on September 20, 2023 [D.I. 32], and Camshaft Capital Management ("Camshaft Management") was served on September 22, 2023 [D.I. 38]. In particular, GLAS served Legalinc, Camshaft Fund's then-publicly-designated registered agent with the Delaware Secretary of State; and any mistake by Camshaft Fund in designating Legalinc is not a legally valid excuse to avoid service (*i.e.*, Camshaft Fund must be held accountable for the consequences of its own mistake). Mot. to Compel [D.I. 30] at 9-11. Accordingly, Camshaft has had GLAS's discovery requests for >1.5 months, and the discovery response deadlines are October 26, 2023 (Camshaft Fund), November 6, 2023 (Camshaft Advisors), and November 8, 2023 (Camshaft Management).

But Camshaft blatantly refuses to comply with those deadlines. On October 17 and 20, 2023 calls to discuss this Report, Camshaft's counsel: (i) said Camshaft Fund disputed service on September 11th, (ii) after first refusing to take a definitive position on whether they would be moving to stay, acknowledged that there was a "99.9%" chance that the Camshaft Defendants in fact would move to stay discovery on or before November 6, 2023, and *not* respond to discovery while the motion was pending (*even though* there is no "bridge order" excusing Camshaft's discovery responses while its motion is pending), and (iii) in response to GLAS's request, refused to discuss Camshaft's search parameters to identify responsive documents at this time.

2023 deadline (approximately one month after the receipt of documents from Camshaft) for GLAS to amend its initial Complaint to add new claims and parties, including identifying the John Doe Defendant(s), based on its receipt of the aforementioned discovery, and (iii) trial in approximately one year from the date of amendment (here, beginning on or around mid-to-late-January 2025, which is 16 months post-commencement of this case and consistent with Administrative Order No. 21-09's guidance that complex civil cases be tried "no later than 24 months after designated as complex"). The first two pillars are very important to GLAS: As GLAS will be prepared to explain to the Court, obtaining targeted discovery from Camshaft on the outstanding discovery requests is a kev gating item to this case moving forward on the merits, including GLAS amending its Complaint and identifying the John Doe Defendant(s). Without that discovery, it will be challenging for this case to proceed on the merits. Therefore, any case schedule should ensure that Camshaft expeditiously produces discovery in response to the discovery requests that were served in mid-September 2023, over six weeks ago.

In contrast, Camshaft's proposed Scheduling Order (attached hereto as <u>Appendix B</u>) builds to a trial in September 2025, months after GLAS's proposed trial in January 2025. At this time, GLAS believes that Camshaft's proposal is unnecessarily long—Administrative Order No. 21-09 assumes that complex civil cases "typically involve more than 20 witnesses," which GLAS, at this time, does not expect to be the case here—and expects the Parties can move discovery forward

This Court should not countenance such tactics. Camshaft should have filed its motion to stay weeks ago, having told this Court that it was going to move to stay at the October 3rd discovery hearing and again in its October 10th motion to dismiss. Mot. to Dismiss [D.I. 47] at 2. Had Camshaft timely filed a motion to stay, that motion could already have been resolved, *before* Camshaft's discovery responses came due. The only explanation for why Camshaft sat its motion is it wanted to buy itself more time, in the event the Court ultimately denied their motion, as it should. As Camshaft's counsel has said, "[o]bviously, I think it's important to follow the rules." 10/3/2023 Hr'g Tr. at 13:23-24. The Court should require Camshaft to follow the rules.

expeditiously, especially with Camshaft's upfront production of discovery in response to outstanding requests. Nonetheless, if the Court were to consider Camshaft's proposal, GLAS believes that five primary modifications should be made to its proposed schedule:

- A November 14, 2023 deadline should be added for Camshaft to respond to outstanding discovery and complete its document productions. Only then can deadlines for joining additional parties and amending the Complaint be set.
- A September 27, 2024 deadline should be added for the Parties to exchange preliminary lists of "will call" or "may call" witnesses (other than any experts) in order to ensure that the Parties will have had the opportunity to depose all prospective trial witnesses.
- The structure of expert disclosures should be changed. The Court should implement a standard, two-part expert-disclosure schedule: the Parties mutually disclose any opening experts on the same date (January 20, 2025) and then the Parties mutually disclose any rebuttal experts on the same date (March 17, 2025). In contrast, Camshaft has devised an expert schedule that unfairly gives it preferential treatment over GLAS. Under Camshaft's schedule, GLAS is required to disclose its experts first. Then, Camshaft receives *two* opportunities to designate responsive/rebuttal experts, as compared to just one opportunity for GLAS. Camshaft also receives more than double the time that GLAS gets to designate responsive/rebuttal experts. That atypical schedule is simply unequal and unfair.
- The Parties have proposed different pretrial deliverables and should be required to meet and confer about what should be filed with the Court in advance of trial.
- GLAS is willing to consider a compromise position of a trial in spring 2025.

Alternatively, rather than resolve the Parties' competing Scheduling Orders at this time, GLAS requests that this Court set two interim deadlines—for Camshaft to complete its discovery responses, including document productions, in response to the outstanding discovery and then for GLAS to amend its Complaint and add claims/join parties—and defer consideration of a full scheduling order until GLAS files its Amended Complaint. That will enable the current Parties to refine their views on an appropriate schedule, and further will allow any newly-added parties under any Amended Complaint to participate in scheduling discussions.

Defendants' Position

Defendants' position on these dates, in addition to subsequent dates, is set forth in the proposed Scheduling Order attached hereto as Appendix B.

Defendants' proposed trial date in September 2025 is based on the Eleventh Judicial Circuit's Administrative Order No. 21-09, available at 10122459346-ADMINISTRATIVE
ORDER NO. 21-09.pdf (flcourts.org), which provides for trial within 24 months following a civil case's designation as complex.

In contrast, Plaintiff proposes that the Court not even enter a trial order at this time, and instead set a discovery deadline applying to Defendants of November 14, 2023 (or one week following the Case Scheduling Conference). This is unreasonable for three reasons. First, as Defendants have stated in their Motion to Dismiss and in the prior Court hearing, Defendants will move for a stay of discovery pending the case-dispositive issues raised in the Motion, which will be pending at the time of the Case Scheduling Conference. Second, Plaintiff's proposal misstates the applicable response date for Defendants to object or respond to the requests based on the applicable service date.² And third, Plaintiff's position further illustrates that the thrust of this action is not a set a trial, or sue BYJU's for breach of contract to obtain a judgment establishing Plaintiff's entitlement to the funds, but instead to obtain discovery that Plaintiff otherwise would not be entitled to in the prior pending litigations, in other fora, between Plaintiff and BYJU's—the actual party in interest and beneficial owner of the more than \$500M in investments that Plaintiff seeks to seize in this litigation.

Plaintiff's effort to short-circuit suing BYJU's to establish entitlement to the funds presents numerous legal issues that will require gatekeeping by the Court at the pleading stage, and failing that, at summary judgment, especially to establish whether Plaintiff has standing, and whether or

² Plaintiff relies on an ineffective service date of Sept. 11, 2023 (as raised in Defendants' Motion to Vacate Ex Parte Order and not the corrected service of process on CT Corporation on September 20, 2023. That latter date yields a response date under the Florida Rules of Civil Procedure of November 6, 2023, but as stated above, Defendants intend to move for a Stay of Discovery which will be pending prior to that date.

when Plaintiff must add additional indispensable parties such as BYJU's. Given the complexity of those issues, the half-billion-dollar amount in controversy, and the pendency of this litigation in the Complex Division, Defendants request that the Court set a trial date in line with the two-year guidelines set forth in the Administrative Order No. 21-09.

F. Names of the attorneys responsible for handling the action.

The attorneys responsible for handling this action on behalf of GLAS are Marcos D. Jiménez, Esq., Andrew Zaron, Esq., and Diego Pérez Ara, Esq. of León Cosgrove Jiménez, LLP; and Richard U.S. Howell, P.C. and Ravi Subramanian Shankar, Esq. of Kirkland & Ellis LLP.

The attorneys responsible for handling this action on behalf of Defendants are David Massey, Esq. and Marty Steinberg, Esq. of Hogan Lovells US LLP.

G. Necessity of a protective order to facilitate discovery.

The Parties expect that a protective order will be necessary to facilitate discovery. The Parties have started preparing a proposed protective order that will be submitted to the Court for consideration.

H. Proposals for the formulation and simplification of issues, including the elimination of frivolous claims or defenses, and the number and timing of motions for summary judgment or partial summary judgment.

The Parties agree to confer with each other to explore potential simplification and streamlining of the issues, including the elimination of frivolous claims or defenses. Defendants have filed a Motion to Dismiss, which remains pending and to which GLAS has responded. The Parties do not know at this time if any motions for summary judgment or partial summary judgment will, or should, be filed in this case. As for timing, the Parties anticipate that after all fact and expert discovery has been conducted and before the final pre-trial conference, all motions for summary judgment will have been filed and heard by the Court, subject to the Court's schedule.

I. Possibility of obtaining admissions of fact and voluntary exchange of documents and electronically stored information, stipulations regarding authenticity of documents, electronically stored information, and the need for advance rulings from the court on admissibility of evidence.

The Parties agree to work with one another regarding authenticity of documents and in formulating proper protocols and search terms related to electronically stored information. The Parties do not expect a voluntary exchange of documents. At this time, the Parties do not expect any need for advance court rulings on the admissibility of evidence, but will advise the Court if that changes.

J. Possibility of obtaining agreements among the parties regarding the extent to which such electronically stored information should be preserved, the form in which such information should be produced, and whether discovery of such information should be conducted in phases or limited to particular individuals, time periods, or sources.

As stated previously, the Parties agree to work with one another regarding authenticity of documents and in formulating proper protocols and search terms related to electronically stored information. The Parties believe it is appropriate to use an e-discovery platform, and the exchange of load files such that relevant metadata is preserved, when possible, and production, review, and document control is made simpler. The Parties agree to work with one another regarding the appropriate scope, custodians, and sources of data.

K. Suggestions on the advisability and timing of referring matters to a magistrate, master, other neutral, or mediation.

At this time, the Parties do not believe that there is a need for a referral to a magistrate or master, but reserve the right to request a referral during the course of the litigation.

The Parties do not currently intend to participate in any mediation conference.

L. Preliminary estimate of the time required for trial.

The Parties cannot determine at this time the number of days that will be required for trial.

M. Requested date or dates for conference before trial, a final pretrial conference, and trial.

The Parties refer to their respective proposed Scheduling Orders, attached hereto as Appendix A (Plaintiff) and Appendix B (Defendants).

N. Defendants' position on these dates is set forth in the proposed Scheduling Order appended hereto. Description of pertinent documents and a list of fact witnesses the parties believe to be relevant.

Plaintiff's Position

As stated previously, the instant dispute relates to fraudulent money transfers involving Camshaft. The relevant documentation would include, but is not limited to, the following categories:

- communications between Defendants, on one hand, and Borrower, its former corporate parents and affiliates (as defined in GLAS's discovery requests and who collectively do business under the trade name "BYJU's"), or their representatives, on the other hand;
- documentation concerning any money transfer between or among Borrower or BYJU's, on the one hand, and Defendants, one the other hand;
- account records (e.g., capital account statements, custodial statements, financial statements, and statements of management fees, transaction fees, placement fees, and expenses) associated with Borrower, BYJU's, or any money transfer;
- records of confirmations, transfers, assignments, re-titlings, subscriptions, contributions, withdrawals, redemptions and other transactions associated with any of Borrower, BYJU's, or any money transfer;
- documents and communications concerning the relationship between Defendants or William C. Morton, on the one hand, and Borrower, BYJU's, or their representatives, on the other hand;
- agreements entered into between Defendants, on the one hand, and Borrower, BYJU's, or their representatives, on the other hand;
- term sheets, presentations, letters, legal documents, and offering materials exchanged between Defendants or their representatives, on the one hand, and Borrower, BYJU's, or their representatives, on the other hand;
- documents and communications concerning any direct or indirect investments, dispositions, or transfers made by Defendants or any of their representatives or affiliates to BYJU's or its representatives or its affiliates; and
- documents demonstrating the organizational, ownership, and control structure of Defendants, as well as documents memorializing the terms of the limited partnership interests held in Camshaft Capital Fund, LP and/or its general partner and investment manager.

The relevant factual witnesses would include, but are not limited to, the following persons: (i) Camshaft Capital Fund, LP's corporate representative; (ii) Camshaft Capital Advisors, LLC's corporate representative; (iii) Camshaft Capital Management, LLC's corporate representative; (iv) William C. Morton (Camshaft's founder and "[k]ey [p]erson"); (v) various other current/former employees of Defendants; (vi) various current/former employees and representatives of BYJU's; (vii) certain representatives of GLAS; (viii) various authenticating witnesses; and (ix) any others identified in discovery.

With respect to Defendants' Position, GLAS states that Camshaft has included numerous topics for discovery that are not relevant to the elements of a fraudulent transfer claim under the Florida Uniform Fraudulent Transfer Act, and which continue to reflect Camshaft's failure to grasp the statute. GLAS will be prepared to object to any irrelevant and tangential discovery at the appropriate time.

Defendants' Position

As stated previously, Defendants' position is that this is a specious lawsuit, and Plaintiff's Complaint should be dismissed with prejudice for the reasons stated in Defendants' Motion to Dismiss. If the case does proceed, then relevant discovery on merits issues would include, without limitation:

- Documents regarding the underlying transactions that are the basis for the claims, and any other documents establishing the basis for Plaintiff to enforce the claims in its Complaint;
- Records regarding the identities of "creditors" the Plaintiff represents and Plaintiff's communications with the "anonymous lenders" it claims to represent;
- All communications concerning BJYU's in connection with the Credit Agreement and the filing of this lawsuit;
- All communications concerning Defendants and the filing of this lawsuit;
- Plaintiff's communications and documents concerning (1) the creditors including but not limited to the "anonymous lenders" in relation to (a) the BJYU parties; (b) the Credit Agreement and underlying transaction documents and (c) the filing of this lawsuit;

- Plaintiff's communications and documents related to negotiations that resulted in the Credit Agreement;
- All documents that comprise the transactional documents related to the Credit Agreement;
- All Documents establishing the basis for Plaintiff's claim that BYJU's investment with Camshaft was disallowed under the Credit Agreement;
- Documents relating to any purported creditor represented by Plaintiff and whether they are dealers in distressed debt in a manner contrary to the Credit Agreement;
- Documents relating to whether the purported creditors represented by Plaintiff hold short bond or other financial positions involving BYJU's or any of its affiliates;
- Documents establishing that Plaintiff has not sued BYJU's for breach or default of the Credit Agreement or for fraudulent transfer, and why Plaintiff "has not decided to exercise that remedy yet";
- All documents related to any attempt to (1) obtain the collateral that supports the Credit agreement; and/or (2) enforcing any guaranty associated with the Credit agreement; and
- Documents relating to Plaintiff's due diligence employed prior to bringing this action and whether it meets the elements for malicious prosecution or abuse of process.
- The relevant factual witnesses would include, but are not limited to, the following persons:
- (i) corporate representative of GLAS; (ii) corporate representatives of any creditor, including but not limited to the "anonymous lenders," (iii) authenticating witnesses; and (iv) any others identified in discovery.

O. Number of experts and fields of expertise.

The Parties cannot determine at this time the number of experts that will be involved.

P. Any other information that might be helpful to the court in setting further conferences and trial date.

None at this time.

Dated: October 24, 2023 Respectfully submitted,

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CERTIFICATE OF CONFERRAL

I hereby certify that I have personally conferred in good faith with Defendants and have incorporated their positions herein.

Andrew D. Zaron
Andrew D. Zaron

CERTIFICATE OF SERVICE

I hereby certify that on October 24, 2023, a true and correct copy of the foregoing was served via the Florida Courts E-Filing Portal to all counsel of record.

Andrew D. Zaron
Andrew D. Zaron

APPENDIX A

IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL CIRCUIT IN AND FOR MIAMI-DADE COUNTY, FLORIDA

CASE NO.: 2023-022640-CA-01 (43)

GLAS TRUST COMPANY LLC, in its capacity as Administrative Agent and Collateral Agent,

Plaintiff,

v.

CAMSHAFT CAPITAL FUND, LP, CAMSHAFT CAPITAL ADVISORS, LLC, CAMSHAFT CAPITAL MANAGEMENT, LLC, and JOHN DOE,

Defendants.		

[PLAINTIFF'S PROPOSED] SCHEDULING ORDER SETTING TRIAL DATE AND PRETRIAL SCHEDULE

THIS CAUSE is set for trial during the Court's trial calendar beginning in <u>January 2025</u>. The Final Pretrial Conference will be held at [time, day, in <u>December 2024</u>]. The Calendar Call will be held at [time, day, in <u>January, 2025</u>]. The Parties shall adhere to the following schedule subject to further order of the Court, though the Parties may move the deadlines set in Sections 1-8 hereof by mutual agreement:

- 1. Camshaft Defendants to complete discovery responses, including document productions, in response to the interrogatories and document requests served concurrently with the Complaint by **November 14, 2023**.³
- 2. Plaintiff to file any Amended Complaint, adding additional claims and/or joining additional parties, following the completion of aforementioned discovery responses, by **December**

³ This deadline assumes that the Camshaft Defendants do not withhold documents responsive to Plaintiff GLAS Trust Company LLC's document requests based on one or more objections. If the Camshaft Defendants do withhold documents, then that will extend all subsequent dates in this proposed Scheduling Order.

22, 2023.

- 3. Parties to mutually exchange expert witness designations by **June 17, 2024**.
- 4. Parties to mutually exchange preliminary lists of "may call" or "will call" witnesses (other than rebuttal experts) by **July 19, 2024**.
- 5. Parties to mutually exchange rebuttal expert witness designations (for the avoidance of doubt, such experts will be limited to providing only opinions rebutting an opinion elicited by another party's expert) by **August 9, 2024**.
 - 6. Fact discovery shall be completed by **August 23, 2024**.
 - 7. Expert discovery shall be completed by **September 20, 2024**.
- 8. Dispositive motions, including those regarding summary judgment and *Daubert*, must be filed by **October 15, 2024**.
 - 9. Mediation shall be set by **October 31, 2024**.
- 10. All pretrial motions and memoranda of law, including motions *in limine*, must be filed by **November 15, 2024**.
- 11. Final pretrial conference report with pretrial stipulation, proposed joint verdict form, proposed findings of fact and conclusions of law and final exhibit and witness lists shall be filed **December 6, 2024**.
 - 12. Mediation shall be completed by **December 13, 2024**.

APPENDIX B

IN THE CIRCUIT COURT OF THE 11TH JUDICIAL CIRCUIT IN AND FOR MIAMI-DADE COUNTY, FLORIDA

CASE NO. 2023-022640-CA-01 (43)

GLAS TRUST COMPANY LLC, in its capacity as Administrative Agent and Collateral Agent,

Plaintiff,

v.

CAMSHAFT CAPITAL FUND, LP, CAMSHAFT CAPITAL ADVISORS, LLC, CAMSHAFT CAPITAL MANAGEMENT, LLC, and JOHN DOE,

Defendants.	
	/

[DEFENDANTS' PROPOSED] SCHEDULING ORDER SETTING TRIAL DATE AND PRETRIAL SCHEDULE

THIS CAUSE is set for trial during the Court's trial calendar beginning in <u>September</u> <u>2025</u>. The Calendar Call will be held at [time, day, in **August 2025**]. A Status Conference will be held at [time, day, in **July 2025**]. The parties shall adhere to the following schedule:

- 1. Joinder of any additional parties by December 29, 2023
- 2. Filing of motions to amend the complaint by January 31, 2024
- 3. Fact discovery shall be completed by November 29, 2024
- 4. Selection of Mediator due by November 29, 2024
- 5. Plaintiff(s) shall disclose experts, expert witness reports and information identified in Florida Rule of Civil Procedure 1.280(b)(5) by **January 5, 2025**
- 6. Defendant(s) shall disclose experts, expert witness reports and information identified in Florida Rule of Civil Procedure 1.280(b)(5) by **February 24, 2025**
- 7. Exchange of rebuttal expert witness reports and information identified in Florida Rule of Civil Procedure 1.280(b)(5) due by **March 17, 2025**

- 8. Expert discovery shall be completed by **April 15, 2025**
- 9. Dispositive motions, including those regarding summary judgment and *Daubert*, must be filed by **May 15, 2025**
 - 10. Mediation shall be completed by May 1, 2025
 - 11. All pretrial motions and memoranda of law must be filed by May 15, 2025
 - 12. Motions in limine must be filed by June 2, 2025
- 13. Joint pretrial stipulation, proposed joint jury instructions, proposed joint verdict form, and/or proposed findings of fact and conclusions of law must be filed by **August 5, 2025**

EXHIBIT 32

IN THE CIRCUIT COURT OF THE 11TH JUDICIAL CIRCUIT IN AND FOR MIAMI-DADE COUNTY, FLORIDA

CAMSHAFT CAPITAL FUND, LP, CAMSHAFT CAPITAL MANAGEMENT, LLC, and CAMSHAFT CAPITAL ADVISORS, LLC,

Plaintiffs,

ν.

BYJU's Alpha, Inc.,

Defendant.

COMPLEX BUSINESS LITIGATION DIVISION

CASE NO. 2023-027523-CA-01

CORRECTED COMPLAINT¹

Plaintiffs Camshaft Capital Fund, LP ("<u>Camshaft Capital Fund</u>"), Camshaft Capital Management, LLC ("<u>Camshaft Capital Management</u>"), and Camshaft Capital Advisors, LLC ("<u>Camshaft Capital Advisors</u>" and, together with Camshaft Capital Fund and Camshaft Capital Management, collectively "<u>Camshaft</u>") bring the following action (the "<u>Complaint</u>") against Defendant BYJU's Alpha, Inc. ("<u>BYJU's</u>" or "<u>Defendant</u>") and allege as follows:

INTRODUCTION

1. This is an action for declaratory relief arising out of (i) the status of BYJU's as a former limited partner of Camshaft Capital Fund as of the first quarter of 2023, at which time BYJU's transferred all of its investment interest as a limited partner in Camshaft Capital Fund to a third party; (ii) the appointment of Mr. Timothy R. Pohl ("Mr. Pohl") as the sole director and officer of BYJU's; and (iii) Mr. Pohl's November 20, 2023, demand that Camshaft provide certain very broad categories of books and records of Camshaft, despite the fact that BYJU's is no longer

Camshaft submits this Corrected Complaint to revise a scrivener's error regarding the state of incorporation for Defendant and three typographical errors in paragraphs 3, 10, and 66. The remainder of the Corrected Complaint remains unchanged from the initial Complaint filed on December 4, 2023 (Dkt. No. 2).

a limited partner of Camshaft Capital Fund.

- 2. Camshaft is in doubt as to the existence or non-existence of its rights under contract, as well as Camshaft's absence of any statutory obligations with respect to BYJU's demand for books and records under Delaware law.
- 3. More specifically, Camshaft is in doubt as to the absence of any statutory obligations it may have to disclose books and records information to BYJU's, a former limited partner of Camshaft Capital Fund, because BYJU's has transferred all of its investment interest to another entity, resulting in BYJU's having a zero-balance capital account in Camshaft Capital Fund, thereby terminating its relationship with Camshaft. *See Greenhouse v. Polychain Fund I LP*, No. CV 2018-0214-JRS, 2019 WL 2290245, at *4-5 (Del. Ch. May 29, 2019) (holding that the plaintiff had no standing to seek books and records under 6 Del. C. § 17-305 because the plaintiff was no longer a limited partner and the statute "affords . . . no right to former limited partners to inspect a partnership's books and records.").
- 4. Likewise, Camshaft is in doubt as to any contractual (or statutory) rights it may have to refuse to disclose books and records to BYJU's as a former limited partner of Camshaft Capital Fund.
 - 5. Camshaft is entitled to have such doubt removed.
- 6. BYJU's takes the position that it is entitled to control and access of the Camshaft books and records that it seeks.
- 7. BYJU's has stated in writing that if it does not receive such books and records, despite being a former limited partner, it will "seek appropriate relief to the fullest extent permitted under law" against Camshaft. Demand Letter from Timothy R. Pohl to Camshaft dated November 20, 2023, at 3 (hereinafter the "Demand Letter") (attached as Exhibit "A").

- 8. BYJU's position is clear: despite the lack of any statutory or contractual rights as a former limited partner, it intends to file a lawsuit in a misguided attempt to vindicate purported rights that do not exist.
- 9. This is not a new dispute. Mr. Pohl is the hand-selected agent of GLAS, which previously brought a suit to achieve a similar goal: to obtain third-party Camshaft records without a proper basis. Camshaft has resisted these improper methods to attempt to obtain records of a third party when BYJU's has not been held to have made a fraudulent transfer under the terms of the Credit Agreement. As the Court will recall, GLAS, sought similar relief that Mr. Pohl is now seeking. GLAS and Mr. Pohl's objectives have not changed but merely are now wrapped in a different tactic. Attempting to access this information through BYJU's, a former limited partner of Camshaft Capital Fund, that has no right to Camshaft's records.

THE PARTIES

- 10. Plaintiff Camshaft Capital Fund is a Pooled Investment Vehicle operating as a hedge fund. Camshaft Capital Fund is a limited partnership organized and existing under the laws of the State of Delaware (File No. 3441752) with its principal place of business at 16850 Collins Avenue, #112408, Sunny Isles Beach, Florida 33160.
- 11. Plaintiff Camshaft Capital Management is the General Partner for Camshaft Capital Fund. Camshaft Capital Management is a limited liability company organized and existing under the laws of the State of Florida, with its principal place of business at 16850 Collins Avenue, #112408, Sunny Isles Beach, Florida 33160.
- 12. Plaintiff Camshaft Capital Advisors is an investment management firm that services institutional clients. Camshaft Capital Advisors is a limited liability company organized and existing under the laws of the State of Florida, with its principal place of business at 16850

Collins Avenue, #112408, Sunny Isles Beach, Florida 33160.

- 13. Defendant BYJU's is a special-purpose financing vehicle in the business of designing and developing education software solutions. BYJU's is a corporation organized and existing under the laws of the State of Delaware.
 - 14. BYJU's is a former limited partner of Camshaft Capital Fund.
- 15. BYJU's was never a limited partner or member of Camshaft Capital Management or Camshaft Capital Advisors.

JURISDICTION AND VENUE

- 16. This Court has subject matter jurisdiction over this action under Florida Statute Section 86.011, as this Court has jurisdiction to enter declaratory judgments.
- 17. This is an action in which the amount in controversy exceeds seven hundred and fifty thousand dollars (\$750,000.00), exclusive of interest and costs to which Camshaft would be entitled, and is otherwise within the subject matter jurisdiction of this Court.
- 18. This Court has personal jurisdiction over BYJU's because BYJU's negotiated and entered into a partnership relationship in Florida and with Florida-based entities.
- 19. Venue is proper in Miami-Dade County, Florida, because, among other things, Section 11.03 of the Second Amended and Restated Limited Partnership Agreement (Revised) of Camshaft Capital Fund, LP (hereinafter the "LPA") that is implicated in this lawsuit provides: "Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement may be brought against any of the parties in the courts of the *State of Florida* " (emphasis added).

FACTUAL ALLEGATIONS

I. BYJU's Former Partnership Relationship with Camshaft Capital Fund

- 20. In April and July 2022, BYJU's made certain investments in Camshaft Capital Fund totaling \$533 million (the "Investment").
 - 21. As a result, BYJU's became a limited partner in Camshaft Capital Fund.
- 22. While BYJU's was a limited partner of Camshaft Capital Fund, BYJU's rights and obligations as to the Investment were governed by the LPA, as well as the Delaware Statutes, including the Delaware Revised Uniform Limited Partnership Act, 6 Del. C. § 17-101 *et seq*.
- 23. Further, the LPA is governed by Delaware law, but the jurisdictional provision of the LPA provides that actions pertaining to enforcement of any provisions or rights under the agreement must be brought in the courts of the State of Florida.
- 24. BYJU's is no longer a partner of Camshaft Capital Fund and, therefore, BYJU's has no rights to inspect Camshaft's books and record.

II. BYJU's Transfers All of Its Interest in Camshaft Capital Fund to a Third Party

- 25. In the first quarter of 2023, and prior to Mr. Pohl's appointment as a director of BYJU's, BYJU's transferred one hundred percent of its interest in Camshaft to a third party pursuant to the terms of the LPA.
- 26. As of the date of the transfer, BYJU's has a zero-balance capital account, thus terminating its Investment and making it a *former* limited partner of Camshaft Capital Fund.

III. BYJU's Demand For Camshaft's Books and Records and Camshaft's Refusal to Comply with the Request

27. On November 20, 2023, approximately three quarters *after* the transfer of all of BYJU's interest in Camshaft Capital Fund to a third party, Mr. Pohl, representing himself as the sole director, chief executive officer, and secretary of BYJU's, sent a Demand Letter to Camshaft

asserting *fifteen* very broad document requests and demanding that a wide array of Camshaft's books and records be provided to BYJU's within five (5) business days. Ex. A at 1–3. These requests are similar to those submitted to this Court by GLAS.

- 28. Mr. Pohl, as representative of BYJU's, states in the Demand Letter that BYJU's is entitled to access and control of Camshaft's books and records regarding the Investment under "contractual and legal rights, including Section 17-305 of the Delaware [L]imited [P]artnership [A]ct." Ex. A at 1. That is Mr. Pohl's sole statutory basis for demanding books and records from Camshaft.
- 29. Subsequently, on December 4, 2023, Camshaft, through undersigned counsel, sent a response letter to BYJU's counsel and Mr. Pohl (the "Response Letter") (attached here to as Exhibit "B"), notifying BYJU's that as a former limited partner of Camshaft Capital Fund, it has no contractual or statutory right to access Camshaft's books and records.
- 30. BYJU's Demand Letter is clear that in the event Camshaft "does not respond or provide the requested information," BYJU's will "seek appropriate relief to the fullest extent permitted under the law," Ex. A at 3, which undoubtedly threatens the filing of a lawsuit.

IV. An Actual Controversy Exists Between Camshaft and BYJU's

- 31. As such, there exists an actual controversy between the parties as to whether BYJU's, as a former limited partner of Camshaft Capital Fund, has the right to access books and records. And likewise, whether Camshaft has an obligation to disclose those books and records to a *former* limited partner in Camshaft Capital Fund demanding they be turned over.
- 32. Although a present controversy is not required under Florida law, the issuance of a judgment by this Court would resolve the existing controversy between the parties relating to the dispute described above (and as further described below) and resolve Camshaft's doubt as to

whether it has any obligation to respond to BYJU's demand as a consequence of BYJU's status as a former limited partner of Camshaft Capital Fund. That is, this action will declare the rights and obligations of Camshaft under the LPA and the relevant Delaware law.

- 33. This Complaint clearly satisfies the elements of the Declaratory Judgment Act, which are:
 - a. A bona fide, actual, present practical need for the declaration;
 - b. That the declaration should deal with a present, ascertained, or ascertainable state of facts **OR** a present controversy as to a state of facts;
 - c. That some immunity, power, privilege, or right of the complaining party is dependent upon the facts or the law applicable to the facts;
 - d. That there is some person or persons who have, or reasonably may have an actual,
 present, adverse, and antagonistic interest in the subject matter, either in fact or law;
 and
 - e. That the antagonistic and adverse interests are all before the court by proper process or class representation and that the relief sought is not merely the giving of legal advice by the courts or the answer to questions propounded from curiosity.

May v. Holley, 59 So.2d 636, 639 (Fla.1952).

34. Accordingly, declaratory relief is warranted because a justiciable controversy exists as to whether Camshaft has the right to refuse to disclose its books and records to a former limited partner, which has no statutory or contractual rights to inspect such records.

COUNT I

(Declaratory Judgment That Camshaft Owes No Duty or Obligation to Disclose Books and Records to BYJU's Pursuant to 6 Del. C. § 17-305)

- 35. The allegations in paragraphs 1 through 34 above are incorporated by reference as though fully set forth herein.
- 36. This is an action against BYJU's for a declaratory judgment under the Florida Declaratory Judgment Act, § 86.011 *et seq.*, Florida Statutes.
- 37. As of the first quarter of 2023, BYJU's was no longer a partner of Camshaft Capital Fund because BYJU's had transferred all of its interest in Camshaft Capital Fund, including but not limited to the entirety of its interest in the Investment to a third party, resulting in BYJU's having a zero-balance capital account.
- 38. On November 20, 2023, BYJU's representative, Mr. Pohl, sent a Demand Letter to Camshaft asserting that, among other things, pursuant to "Section 17-305 of the Delaware [L]imited [P]artnership [A]ct" BYJU's is entitled to access and control over certain Camshaft books and records pertaining to the Investment. Ex. A at 1.
- 39. Section 17-305(a) of the Delaware Revised Uniform Limited Partnership Act provides that:
 - (a) Each *limited partner*, in person or by attorney or other agent, has the right, subject to such reasonable standards (including standards governing what information (including books, records and other documents) is to be furnished, at what time and location and at whose expense) as may be set forth in the partnership agreement or otherwise established by the general partners, to obtain from the general partners from time to time upon reasonable demand for any purpose *reasonably related to the limited partner's interest as a limited partner*:
 - (1) True and full information regarding the status of the business and financial condition of the limited partnership;
 - (2) Promptly after becoming available, a copy of the limited partnership's federal, state and local income tax returns for each year;
 - (3) A current list of the name and last known business, residence or mailing address of each partner;

- (4) A copy of any written partnership agreement and certificate of limited partnership and all amendments thereto, together with executed copies of any written powers of attorney pursuant to which the partnership agreement and any certificate and all amendments thereto have been executed;
- (5) True and full information regarding the amount of cash and a description and statement of the agreed value of any other property or services contributed by each partner and which each partner has agreed to contribute in the future, and the date on which each became a partner; and
- (6) Other information regarding the affairs of the limited partnership as is just and reasonable.
- 6 Del. C. § 17-305(a)(1)-(6) (emphasis added).
- 40. BYJU's is not a limited partner of any Camshaft entity and, thus, this statute does not apply to it, and it has no statutory right to request books and records under Section 17-305 of the Delaware Revised Uniform Limited Partnership Act. *Greenhouse v. Polychain Fund I LP*, No. CV 2018-0214-JRS, 2019 WL 2290245, at *4-5 (Del. Ch. May 29, 2019) (holding that the plaintiff had no standing to seek books and records under 6 Del. C. § 17-305 because the plaintiff was no longer a limited partner and the statute "affords . . . no right to former limited partners to inspect a partnership's books and records.").
- 41. On December 4, 2023, Camshaft responded to BYJU's Demand Letter and notified BYJU's that it had no statutory standing to request books and records, and rejected BYJU's request for the disclosure of the requested books and records. *See generally* Ex. B.
- 42. There is a bona fide, actual, present practical need for the declaration because BYJU's has demanded Camshaft provide numerous very broad categories of books and records pertaining to the Investment, despite the fact that BYJU's is a former limited partner of Camshaft Capital Fund with a zero-balance capital account.
 - 43. BYJU's was never a limited partner of any other Camshaft entity.
- 44. As a result of the Demand Letter and its threat of legal action, Camshaft is in doubt as to what its rights and obligations are to BYJU's under the Delaware Revised Uniform Limited

Partnership Act, particularly Section 17-305, and, as such, whether Camshaft properly rejected BYJU's demand for books and records as a former limited partner.

- 45. Camshaft's declaratory judgment action relates to a present, ascertained, or ascertainable state of facts or controversy because BYJU's has expressly stated in writing that in the event of non-compliance with providing the requested information, it will "seek appropriate relief to the fullest extent permitted under law" against Camshaft, which is which is a clear threat to file a lawsuit. Ex. A at 3.
- 46. Camshaft, as the complaining party, must be assured of its right to refuse to disclose confidential and trade secret books and records to BYJU's, a former limited partner of Camshaft Capital Fund.
- 47. BYJU's reasonably has an actual, present, adverse, and antagonistic interest in Camshaft's requested declaratory relief.
- 48. All the antagonistic and adverse interests are all before the Court because this is a question of the rights or obligations of BYJU's and Camshaft pursuant to BYJU's demand for Camshaft's books and records.
- 49. The relief sought by Camshaft is not an attempt to obtain advisory legal advice from this Court, or the answer to questions propounded from curiosity.

WHEREFORE, Camshaft respectfully requests that this Court enter judgment against BYJU's declaring that Camshaft has no statutory obligation, including under Section 17-305 of the Delaware Revised Uniform Limited Partnership Act, to disclose any of its books and records to BYJU's.

COUNT II

(Declaratory Judgment That Camshaft Owes No Duty to Disclose Books and Records to BYJU's Pursuant to the LPA)

- 50. The allegations in paragraphs 1 through 34 above are incorporated by reference as though fully set forth herein.
- 51. This is an action against BYJU's for a declaratory judgment under the Florida Declaratory Judgment Act, § 86.011 *et seq.*, Florida Statutes.
- 52. As of the first quarter of 2023, BYJU's was no longer a partner of Camshaft Capital Fund because BYJU's had transferred all of its interest in Camshaft Capital Fund, including but not limited to its interest in the Investment to a third party, resulting in BYJU's having a zero-balance capital account.
- 53. On November 20, 2023, BYJU's representative, Mr. Pohl, sent a Demand Letter asserting that, among other things, pursuant to "contractual . . . rights" BYJU's entitled to access to very broad categories of Camshaft's books and records. Ex. A at 1.
- 54. During the time BYJU's was a limited partner of Camshaft Capital Fund, its rights were governed by the LPA.
 - 55. Section 7.02 of the LPA provides:
 - Books and Records. The General Partner [Camshaft Capital Management] shall keep or cause to be kept, at the Partnership's [Camshaft Capital Fund's] expense, full, complete and accurate books of account and other records showing the assets, liabilities, costs, expenditures, receipts, Net Profits and Net Losses of the Partnership [Camshaft Capital Fund], the respective Capital Accounts of the Partners and such other matters required by the Act. Such books of account shall be the property of the Partnership [Camshaft Capital Fund], shall be kept in accordance with sound accounting principles and procedures consistently applied, and shall be open to the reasonable inspection and examination of the Partners or their duly authorized representatives upon notice to the General Partner [Camshaft Capital Management]. The books of account shall be maintained at the principal office of the General Partner [Camshaft Capital Management] or at the office of the Partnership's [Camshaft Capital Fund's] accounting or administrative firm, as determined by the General Partner [Camshaft Capital Management] in its sole

- discretion. Notwithstanding the foregoing, however, the General Partner [Camshaft Capital Management] is not obligated to show any Partners records detailing the actual Securities trades placed by the Partnership [Camshaft Capital Fund]. Information regarding the Partnership's [Camshaft Capital Fund's] trading and specific investments is proprietary.
- 56. The LPA is the only contractual basis by which BYJU's claims any right to demand Camshaft's books and records.
- 57. BYJU's is a former limited partner of Camshaft Capital Fund and, thus, has no contractual right under the LPA to inspect Camshaft's books and records.
 - 58. BYJU's was not a limited partner of any other Camshaft entity.
- 59. On December 4, 2023, Camshaft responded to BYJU's Demand Letter and notified BYJU's that it had no contractual right to demand books and records because BYJU's is not a limited partner of Camshaft Capital Fund. *See generally* Ex. B.
- 60. There is a bona fide, actual, present practical need for the declaration because BYJU's has demanded Camshaft to provide very broad categories of books and records, but BYJU's is no longer a partner of Camshaft Capital Fund by virtue of BYJU's transfer of all its interest in Camshaft Capital Fund to a third party.
- 61. As a result of the Demand Letter and its threat of legal action, Camshaft is in doubt as to its contractual rights under the LPA and, as such, whether Camshaft must comply with BYJU's demand for the production of documents when BYJU's is a former limited partner of Camshaft Capital Fund and has no right to inspect any of Camshaft's books and records.
- 62. Camshaft's declaratory judgment action relates to a present, ascertained, or ascertainable state of facts or controversy because BYJU's has expressly stated in writing that in the event of non-compliance with providing the requested information, it will "seek appropriate

relief to the fullest extent permitted under law" against Camshaft, which is a clear threat to file a lawsuit. Ex. A at 3.

- 63. Camshaft, as the complaining party, must be assured of its right to refuse to disclose confidential and trade secret books and records to BYJU's, a former limited partner of Camshaft Capital Fund.
- 64. BYJU's reasonably has an actual, present, adverse, and antagonistic interest in Camshaft's requested declaratory relief.
- 65. All the antagonistic and adverse interests are all before the Court because this is a question of the rights or obligations of BYJU's and Camshaft pursuant to BYJU's demand for Camshaft's books and records.
- 66. The relief sought by Camshaft does not seek advisory legal advice from this Court, or the answer to questions propounded from curiosity.

WHEREFORE, Camshaft respectfully requests that this Court enter judgment against BYJU's declaring that Camshaft has no contractual obligation under the LPA to disclose any of its books and records to BYJU's.

PRAYER FOR RELIEF

WHEREFORE, Camshaft respectfully requests that this Court enter judgment against BYJU's:

- a. Declaring that Camshaft has no statutory obligation to disclose any of its books and records to BYJU's.
- b. Declaring that Camshaft has no contractual obligation under the LPA to disclose any of its books and records to BYJU's.
- c. Granting Camshaft any further relief the Court deems just and appropriate.

Dated: December 15, 2023.

Respectfully submitted,

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By:/s/ David B. Massey

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Attorneys for Plaintiffs

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 15th day of December, 2023, a true and correct copy of the foregoing document was electronically filed, which will serve a Notice of Filing on all counsel of record, via the Court's e-service system.

By:/s/ David Massey
David B. Massey